

Exhibit A-40

United States Bankruptcy Court/Southern District of New York
 Lehman Brothers Holdings Claims Processing Center
 c/o Epiq Bankruptcy Solutions, LLC
 FDR Station, P.O. Box 5076
 New York, NY 10150-5076

PROOF OF CLAIM

In Re: Lehman Brothers Holdings Inc., et al. Debtors.	Chapter 11 Case No. 08-13555 (JMP) (Jointly Administered)
Name of Debtor Against Which Claim is Held Lehman Brothers Special Financing Inc.	Case No. of Debtor 08-13888

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503. Additionally, this form should not be used to make a claim for Lehman Programs Securities (See definition on reverse side.)

Name and address of Creditor: (and name and address where notices should be sent if different from Creditor)
 Stonehill Institutional Partners, L.P.
 c/o Stonehill Capital Management LLC
 885 Third Avenue, 30th Floor
 New York, NY 10022
 Attn: Paul D. Malek, Esq.

Telephone number: 212-739-7474 Email Address: pmalek@stonehillcap.com

Name and address where payment should be sent (if different from above)

Telephone number: Email Address:

Check this box to indicate that this claim supersedes a previously filed claim.

Court Claim
Number: 19920
(If known)

Filed on: 09/21/2009

Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Check this box if you are the debtor or trustee in this case.

THIS SPACE IS FOR COURT USE ONLY

1. Amount of Claim as of Date Case Filed: \$ 77,380,909.22

If all or part of your claim is secured, complete Item 4 below; however, if all of your claim is unsecured, do not complete item 4.

If all or part of your claim is entitled to priority, complete Item 5.

If all or part of your claim qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9), complete Item 6.

Check this box if all or part of your claim is based on a Derivative Contract.
 Check this box if all or part of your claim is based on a Guarantee.*

*IF YOUR CLAIM IS BASED ON AMOUNTS OWED PURSUANT TO EITHER A DERIVATIVE CONTRACT OR A GUARANTEE OF A DEBTOR, YOU MUST ALSO LOG ON TO <http://www.lehman-claims.com> AND FOLLOW THE DIRECTIONS TO COMPLETE THE APPLICABLE QUESTIONNAIRE AND UPLOAD SUPPORTING DOCUMENTATION OR YOUR CLAIM WILL BE DISALLOWED.

Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of interest or additional charges. Attach itemized statement of interest or charges to this form or on <http://www.lehman-claims.com> if claim is a based on a Derivative Contract or Guarantee.

2. Basis for Claim: Prime brokerage agreement (see attachment)
 (See instruction #2 on reverse side.)

3. Last four digits of any number by which creditor identifies debtor:
 3a. Debtor may have scheduled account as: _____
 (See instruction #3a on reverse side.)

4. Secured Claim (See instruction #4 on reverse side.)

Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Nature of property or right of setoff: Real Estate Motor Vehicle Other

Describe: _____

Value of Property: \$ _____ Annual Interest Rate %

Amount of arrearage and other charges as of time case filed included in secured claim, if any:

\$ _____ Basis for perfection: _____

Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____

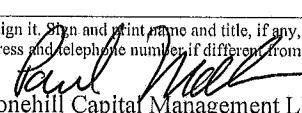
6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9): \$ _____
 (See instruction #6 on reverse side.)

7. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.

8. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages and security agreements. Attach redacted copies of documents providing evidence of perfection of a security interest. (See definition of "redacted" on reverse side.) If the documents are voluminous, attach a summary.

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

Date: 7/26/14 Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number, if different from the notice address above. Attach copy of power of attorney, if any. 
 Paul Malek, General Counsel, Stonehill Capital Management LLC

5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.

Specify the priority of the claim:

- Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).
- Wages, salaries or commissions (up to \$10,950), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4).
- Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5).
- Up to \$2,425 of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7).
- Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8).
- Other - Specify applicable paragraph of 11 U.S.C. § 507(a) _____.

Amount entitled to priority:

\$ _____

FOR COURT USE ONLY

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.

Items to be completed in Proof of Claim form

Name of Debtor, and Case Number:

YOU MUST INDICATE THE SPECIFIC DEBTOR AGAINST WHICH YOUR CLAIM IS ASSERTED, INCLUDING THE THE NAME OF THE DEBTOR AND THE RELATED CASE NUMBER (DEBTORS AND CASE NUMBERS LISTED BELOW), IN THE SPACE ALLOTTED AT THE TOP OF THE CLAIM FORM.

08-13555	Lehman Brothers Holdings Inc.	08-13905	CES Aviation LLC
08-13600	LB 745 LLC	08-13906	CES Aviation V LLC
08-13885	Lehman Brothers Commodity Services Inc.	08-13907	CES Aviation IX LLC
08-13888	Lehman Brothers Special Financing Inc.	08-13908	East Dover Limited
08-13893	Lehman Brothers OTC Derivatives Inc.	09-10108	Luxembourg Residential Properties Loan Finance S.a.r.l.
08-13899	Lehman Brothers Derivative Products Inc.	09-10137	BNC Mortgage LLC
08-13900	Lehman Commercial Paper Inc.	09-10558	Structured Asset Securities Corporation
08-13901	Lehman Brothers Commercial Corporation	09-10560	LB Rose Ranch LLC
08-13902	Lehman Brothers Financial Products Inc.	09-12516	LB 2080 Kalakaua Owners LLC
08-13904	Lehman Scottish Finance L.P.	08-13664	PAMI Statler Arms LLC

If your Claim is against multiple Debtors, complete a separate form for each Debtor.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the Bankruptcy filing. Follow the instructions concerning whether to complete items 4, 5 and 6. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

DEFINITIONS

Debtor

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is the person, corporation, or other entity owed a debt by the debtor on the date of the bankruptcy filing.

Claim

A claim is the creditor's right to receive payment on a debt that was owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the Claims Agent at the following address:

Lehman Brothers Holdings Claims Processing

c/o Epiq Bankruptcy Solutions, LLC

FDR Station, PO Box 5076

New York, NY 10150- 5076

Secured Claim Under 11 U.S.C. §506(a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. §507(a)

Priority claims are certain categories of unsecured Claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

Derivative Contract

A contract that is any of (i) a "swap agreement" as such term is defined in section 101(53B) of the Bankruptcy Code or (ii) a "forward contract" as such term is defined in section 101(25) of the Bankruptcy Code. A cash-market purchase or sale of a security or loan (i.e. any purchase or sale of a security or loan for settlement within the standard settlement cycle for the relevant market), exchange-traded future or option, securities loan transaction, repurchase agreement in respect of securities or loans, and any guarantee or reimbursement obligations which would otherwise be included in the definition of such terms in the Bankruptcy Code shall not be considered a Derivative Contract for the purposes of this definition nor shall any notes, bonds, or other securities issued by the Debtors or their affiliates (including, but not limited to, Lehman Brothers Holdings Inc., Lehman Brothers Treasury Co. B.V., Lehman Brothers Bankhaus AG, Lehman Brothers Holdings plc, Lehman Brothers Securities N.V., and Lehman Brothers (Luxembourg) Equity Finance S.A.).

Guarantee

A promise, representation or agreement to answer for the payment of some debt or the performance of some duty in case of the failure of another person or entity who is liable in the first instance.

Lehman Programs Securities

Lehman Programs Securities means those securities included on the Lehman Programs Securities list available on <http://www.lehman-docket.com> as of July 27, 2009.

INFORMATION

Acknowledgment of Filing of Claim

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim, or you may access the Claims Agent's system (<http://www.lehman-docket.com>) to view your filed proof of claim.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

ATTACHMENT TO PROOF OF CLAIM OF
STONEHILL INSTITUTIONAL PARTNERS, L.P.

Stonehill Institutional Partners, L.P. ("Claimant") hereby files this claim (the Proof of Claim Form together with this Attachment are referred to herein as the "Claim") in the chapter 11 case of Lehman Brothers Special Financing Inc. (the "Debtor") and, in support of the Claim, represents as follows:

Background

1. Claimant is a private investment fund organized as an exempted company under the laws of the Cayman Islands. Stonehill Capital Management LLC ("SCM") is Claimant's investment adviser and an authorized signatory for Claimant.

2. Prior to the commencement of these chapter 11 cases, Claimant had various business relationships with and was party to a number of agreements with the Debtor and its affiliates. A description of certain of these business relationships and agreements and the claims of Claimant against the Debtor arising thereunder is set forth below.¹

Prime Brokerage

3. Lehman Brothers Inc. ("LBI"), an affiliate of the Debtor currently in a liquidation proceeding (the "SIPA Proceeding") under the Securities Investment Protection Act of 1970, as amended ("SIPA"), was Claimant's sole prime broker until September 17, 2008, two days before commencement of the SIPA Proceeding. Claimant was party to a Customer Account Prime Brokerage Agreement (Account No.: 732-40125) (the "PB Agreement") between Claimant and LBI "as signatory for itself and as agent for the affiliates named

¹ Stonehill Offshore Partners Limited, an affiliate of Claimant, was also a party to a number of agreements with the Debtor and its affiliates and has filed separate proofs of claim in these cases. SCM was a signatory for Claimant for various agreements in its capacity as investment adviser and authorized signatory of Claimant.

herein." The PB Agreement (Paragraph 1) provides that the parties to the PB Agreement consist of Claimant and "Lehman Brothers Inc., Lehman Brothers International (Europe), Lehman Brothers Finance S.A., Lehman Brothers Special Financing Inc., Lehman Brothers Holdings Inc. ("LBHI") and any of their subsidiaries, parents, affiliates, divisions, officers, directors, agents and employees now existing or hereafter created." Such entities are defined as and referred to throughout the PB Agreement collectively and interchangeably as "Lehman Entities" and "Lehman Brothers" and are referred to interchangeably in this Claim as "Lehman Entities" or "Lehman Brothers" (which terms include the Debtor).

4. Although paragraph 21 of the PB agreement refers specifically to "LBI" in connection with prime brokerage services, LBI acted as agent for and signed on behalf of the other Lehman Entities in that capacity. Paragraph 4 of the PB Agreement states that the Claimant "and Lehman Brothers intend this agreement to be a master netting agreement," which is an additional indication that the parties intended all Lehman Entities to share in the benefits and burdens of the PB Agreement. In the LBI Trustee's Preliminary Investigation Report and Recommendations, dated August 25, 2010 (the "Trustee's Report"), the Trustee noted that prime brokerage customer account agreements "included all Lehman entities as parties for certain purposes such as subjecting property in the account to claims and liens." (Trustee's Report at p. 46). By becoming parties to the PB Agreement and availing themselves of the benefits of the PB Agreements, including by imposing claims and liens on customer property, the Debtors and other Lehman Entities also obligated themselves under such agreement on a joint and several basis with LBI.

5. Thus, the Debtor and its affiliated debtors and debtors-in-possession were parties to the PB Agreement. LBHI had the ability to influence and control LBI, its wholly-

owned subsidiary, as well as the other Lehman Entities including with respect to the Lehman Entities' obligations under the Prime Brokerage Agreement. Having reaped the benefits of the PB Agreement, LBHI, the Debtor and its affiliated debtors-in-possession must remain bound by their obligations and liabilities thereunder. As a party to the PB Agreement, the Debtor is fully liable for all amounts owed to Claimant in connection with the PB Agreement. A copy of the PB Agreement is attached to this Claim as Exhibit A.

6. As Claimant's sole prime broker and pursuant to the PB Agreement, LBI had custody of a substantial portion of Claimant's assets, including both cash and securities, and was "responsible for settling trades executed on [Claimant's] behalf by [Claimant's] executing broker(s)." (PB Agreement, Paragraph 21(b)). In addition, the PB Agreement authorized "Lehman Brothers to lend either to itself or to others any securities held by Lehman Brothers in any of [Claimant's] accounts" but provided that Claimant "will be entitled to receive all distributions, including, but not limited to, cash . . . made on or in respect of any loaned, pledged, repledged, hypothecated or rehypothecated securities." (PB Agreement Paragraph 19). As a regulated broker dealer and by virtue of course of conduct among the parties, industry practice and custom, and an implied duty of good faith and fair dealing, LBI (as well as the other Lehman Entities) also had obligations implied by law to Claimant not specifically enumerated in the PB Agreement. The failure of LBI to return Claimant's cash and securities therefore constituted a breach of the PB Agreement by the Debtor and the other Lehman Entities.

7. On January 26, 2009, Claimant filed a proof of claim in the SIPA Proceeding asserting various claims – categorized as "components" of the claim against LBI under SIPA (the "SIPA Claim"). A copy of the SIPA Claim is attached to this Claim as Exhibit B.

Between the commencement of the SIPA Proceeding and the date of this Amendment, virtually all of Claimant's securities and cash held at LBI have been returned to Claimant pursuant to a Notice of SIPA Trustee's Determination of Claim (SIPA Claim No. 900002114) dated March 23, 2010 (as corrected on June 4, 2010), Schedule A to the SIPA Trustee's Distribution Notice dated June 27, 2013 (as corrected on August 22, 2013), and a Declaration, Release and Assignment entered into by Claimant on September 5, 2013 (collectively, the "SIPA Claim Determination").

8. Pursuant to the SIPA Claim Determination, all of the components of the SIPA Claim have been resolved other than Component 8, which represents an aggregate of \$4,919,145.22 in losses as of September 19, 2008, on foreign currency hedges entered into under the PB Agreement,² and component 10, pursuant to which Claimant fully reserved the right to seek interest that may be payable or claimable on cash balanced, additional misdirected wires, and/or other amounts that may have been received by LBI or other Lehman Entities. Component 8 of Claimant's SIPA claim arising from foreign currency hedges has not yet been admitted as a general unsecured claim in LBI's SIPA proceeding although it may be so admitted in the future.

9. In addition, the Debtor and the Lehman Entities are obligated to Claimant for damages, interest, costs, attorneys' fees, including, but not limited to the amount representing the diminution in value of the securities held by LBI under the PB Agreement from the date in which LBI's SIPA Proceeding was commenced through the date that such securities were returned to Claimant. The PB Agreement obligated the Debtor and the Lehman Entities to provide services consistent with the SEC's guidelines on prime brokerage

² Although Claimant believes that LBI may have been the only Lehman entity directly involved with the foreign currency hedges, such hedges were entered into under the PB Agreement and are therefore obligations of all of the "Lehman Entities", as noted above.

relationships (PB Agreement Paragraph 21(l)). It is an established element of the brokerage relationship that a broker-dealer must promptly return the securities upon request and, pursuant to the terms of the PB Agreement, the Debtor and all the Lehman Entities were made jointly and severally liable for any breach of the obligation to return securities.³ Therefore, the Debtor and the Lehman Entities were responsible, separate and apart from LBI's obligations as a broker-dealer subject to SIPA regulation (and notwithstanding any limitation under SIPA with respect to such a diminution in value claim), for the prompt return of the securities to Claimant upon request when LBI commenced its SIPA Proceeding, and must repay Claimant for Claimant's losses due to the failure to return the securities or cause the securities to be returned.

10. A further basis for the diminution in value claim is that LBI and the Lehman Entities were required under state law to act in accordance with their respective obligations as a bailees of the securities, and therefore to return the securities to Claimant (PB Agreement Paragraph 3). Under New York law, which governs the PB Agreement, a bailee has a duty to return goods to a bailor and is liable for loss or damage to the goods. LBI was further obligated to hold the securities as financial assets under Article 8 of the Uniform Commercial Code (PB Agreement Paragraph 3), which entitles the owners of securities to have property that is held in a security account protected from the intermediary's other creditors.

11. The current amount owed for diminution in value of returned securities has been calculated by Claimant to be at least \$72,461,764. The calculation of this amount is

³ Such breach rose to the level of gross negligence and/or willful misconduct and therefore was not subject to the limitation on liability set forth in Paragraph 30 of the PB Agreement.

shown on the spreadsheet attached to this Claim as Exhibit C.⁴ This amount, plus the amount owing on component 8 of the SIPA Claim, gives an aggregate Claim amount equal to approximately \$77,380,909.22.

12. In addition to the bases for asserting the Claim against the Debtors described above, the amounts owed under the PB Agreement discussed above are also recoverable by Claimant as a result of willful and material misrepresentations made by and/or on behalf of the Lehman Entities regarding their financial position and related matters, both publicly⁵ and by a senior representative of the Lehman Entities directly to SCM, Claimant's investment adviser. Such misrepresentations induced Claimant (and likely induced similarly situated customers and counterparties of the Lehman Entities) to refrain from terminating Claimant's prime brokerage (and other counterparty) relationships with the Lehman Entities.

13. During a phone call held in early September 2008, shortly before the Lehman chapter 11 filing and the commencement of the SIPA Proceeding, Mr. John Wickham, believed to be head of Lehman Brothers Global Client Services and acting as a representative of the Lehman Entities, called John Motulsky of SCM in response to Mr. Motulsky's voicemail message to Alex Kirk, believed to then be a senior officer of LBHI, asking about the Lehman Entities' financial stability, specifically in connection with the Lehman Entities' prime brokerage and other commercial relationships with Claimant and its affiliates.

⁴ The diminution in value claim is based on the difference in value of securities held at LBI as of the close of business on September 12, 2008, the last business day before the commencement of these cases and the last date on which Claimant was able to obtain its securities from LBI, and the date such securities were returned. Claimant does not mark its portfolio on a daily basis and prices for the securities in Claimant's portfolio, other than those that trade on public markets, are not available on a daily basis. Therefore, other than with respect to publicly traded securities, Claimant used the value of the securities as of the last valuation date prior to September 12, 2008 and the date of return, as applicable.

⁵ For example, on an earnings call on September 10, 2008, five days prior to LBHI's chapter 11 filing, Lehman Brothers' CFO at the time, Ian Lowitt, stated regarding Lehman Brothers' liquidity position that "our liquidity position... remains very strong."

14. In response to questions and concerns expressed by Mr. Motulsky regarding the Lehman Entities' financial strength and viability, Mr. Wickham sought to reassure Claimant (through SCM and Mr. Motulsky) regarding the Lehman Entities' financial condition and the stability of its prime brokerage operation. Mr. Motulsky recalls that Mr. Wickham stated that Lehman had adequate liquidity because unlike Bear Stearns it prudently financed its customers with matched funding and had sufficient liquidity from sources it believed to be reliable to meet all of its obligations for a year even if no new financing was available, that it had \$12 billion of surplus cash, and also cited the availability of secured financing from the federal reserve, none of which was used.

15. Mr. Motulsky also recalls that Mr. Wickham stated that Lehman's unrealized appreciation in various assets (one of which was Neuberger Berman, half of which Mr. Wickham stated might soon be sold at a profit to realize value and add to tangible equity) were more than sufficient to cover possible unrealized losses in its portfolio and provide incremental equity that would be required for a planned spinout of most of Lehman's commercial real estate portfolio, and conveyed a message that Lehman Brothers' prime brokerage operation would continue operating in the normal course, and that Claimant should be comfortable continuing its customer and counterparty relationship with Lehman Brothers.⁶ A few days after this conversation the Debtor commenced this chapter 11 case and LBI commenced its SIPA Proceeding.

16. As a result of the material misrepresentations by Lehman Brothers and its representatives to the public, and by Mr. Wickham, who acted with apparent authority on behalf

⁶ Many of Mr. Wickham's comments appeared to be taken from talking points Mr. Wickham received from the Lehman Entities for communications with customers, rather than being "off the cuff" remarks of Mr. Wickham's personal views regarding Lehman's financial condition.

of LBHI and its affiliates, to SCM, Lehman Brothers and their representatives succeeded in persuading the Claimant to refrain from demanding the return of its assets held by LBI and other Lehman Entities and otherwise taking actions to promptly reduce its commercial exposure to Lehman Brothers prior to the effective curtailment of LBI's normal operations and the subsequent commencement of the SIPA Proceeding.

17. Thus, by virtue of the public misrepresentations of Lehman Brothers and private misrepresentations by Mr. Wickham, Lehman Brothers' agent, directly to SCM, which misrepresentations were intended for the benefit of the Lehman Entities to convince Lehman Brothers' customers and counterparties in general and SCM in particular of the financial stability and health of Lehman Brothers despite the fact that Lehman Brothers' officers knew or should have known that there were substantial risks that Lehman Brothers' liquidity and capital may not continue to support its operations, the Lehman Entities, including the Debtor, are fully liable for any and all direct, indirect, nominal or consequential damages incurred by Claimant in connection with the PB Agreement or otherwise arising in connection with Claimant's prime brokerage and counterparty relationship with Lehman Brothers, including the claim arising from diminution in value of securities that were not timely returned to Claimant.

18. Claimant is entitled to assert and is asserting against the Lehman Entities, including the Debtor, the full amount of claims arising under or relating to the PB Agreement, provided that Claimant may not recover more than 100% of the amount of such claims.

Reservation of Rights

19. No payments have been made to Claimant on account of the claims asserted herein.

20. Claimant reserves all of its rights to supplement or amend this Claim in any and all respects, including to liquidate amounts which are presently unliquidated or estimated.

21. In the event that the Debtor or any of the other debtors assert or Claimant shall determine that another debtor or other party is obligated or liable for any of the categories of claims and amounts set forth herein, this Claim shall be deemed to have been asserted against such other debtor or other party for such category and amount.

22. To the extent not set forth in this Claim, Claimant also makes claim for all direct, indirect, nominal or consequential damages, interest, costs, attorneys' fees, and other amounts owed or owing to it, to the extent recoverable under the applicable agreement and/or applicable law, whether or not liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, in law or equity, secured or unsecured, directly or indirectly related to the matters discussed in this Claim. Claims for amounts asserted herein which are or could be deemed to be postpetition interest under the Bankruptcy code are asserted to the extent allowed under the Bankruptcy Code and applicable non-bankruptcy law.

23. The filing of the Claim is not and shall not be deemed or construed as consent by Claimant to the jurisdiction of this Court or any other court with respect to proceedings, if any, commenced in any case against or otherwise involving Claimant.

24. Neither the substance nor the act of filing this claim, nor any later appearance, pleading, claim, or action in these cases, is intended or shall be deemed to be a waiver, release, or modification by Claimant of its (a) right to have final orders in non-core matters entered after de novo review by a District Judge; (b) right to trial by jury in any proceeding so triable in this case or any case, controversy or proceeding related to these cases; (c) rights under the applicable

safe harbor provisions of the Bankruptcy Code; (d) right to seek to have the District Court withdraw the reference in any matter subject to mandatory or discretionary withdrawal; or (e) other rights, remedies, claims, actions, defenses, setoffs or recoupments to which Claimant is or may be entitled, all of which are hereby expressly reserved.

EXHIBIT A

**Customer Account
Agreement Prime
Brokerage**

LEHMAN BROTHERS INC.

Lehman Brothers Inc.
745 Seventh Avenue
New York, NY 10019
(212) 526-7000

Stonehill Institutional Partners LP

Account No.: 732-40126

Please Read Carefully, Sign and Return

This agreement ("Agreement") sets forth the terms and conditions under which Lehman Brothers (as defined below) will open and maintain prime brokerage account(s) in your name and otherwise transact business with you as our customer. Throughout this Agreement references to "you" and "your" refer to you as our customer.

In consideration of Lehman Brothers opening a prime brokerage account for you, you agree to the following:

1. PARTIES. A prime brokerage account opened pursuant to this Agreement will be opened at Lehman Brothers Inc. ("LBI"). All transactions, agreements and contracts between you and Lehman Brothers have been entered into in consideration of each other. You hereby agree that the parties to this Agreement shall consist of you and Lehman Brothers Inc., Lehman Brothers International (Europe), Lehman Brothers Finance S.A., Lehman Brothers Special Financing Inc., Lehman Brothers Holdings Inc. and any of their subsidiaries; parents, affiliates, divisions, officers, directors, agents and employees now existing or hereafter created, including successors and assigns (each such entity or person being referred to hereinafter as Lehman Brothers or a "Lehman Brothers Entity," unless otherwise specified, and all such entities or persons being collectively referred to hereinafter as "Lehman Brothers"). Unless you advise Lehman Brothers in writing to the contrary, you represent that you are not an affiliate (as defined in Rule 144(a)(1) under the U.S. Securities Act of 1933 as may be amended, modified or supplemented) of the issuer of any security held in any account opened hereby. You represent and warrant to Lehman Brothers that you are either (i) not (A) an employee benefit plan (an "ERISA Plan"), as defined in Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or (B) subject to ERISA or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "Code") or (ii) (A) an ERISA Plan or subject to ERISA or Section 4975 of the Code and (B) whose Investment Manager or General Partner is (and you covenant and agree that any successor Investment Manager or General Partner appointed by you will be) a Qualified Professional Asset Manager ("QPAM") as defined by the relevant prohibited transaction class exemption(s) issued pursuant to ERISA and you will provide Lehman Brothers with a QPAM Representation Letter.

2. APPLICABLE LAWS, RULES AND REGULATIONS; SEVERABILITY. All transactions under this Agreement shall be subject to the applicable laws, rules and regulations of all U.S. and, if applicable, non-U.S. federal, state and self-regulatory authorities, including, but not limited to, the rules and regulations of the Board of Governors of the Federal Reserve System of the United States and the constitution, rules and customs of the exchange or market (and clearing house) where such transactions are executed or settled. In the event of any conflict between any such present or future laws, regulations and rules and the terms of this Agreement, the provision(s) of this Agreement so affected shall be deemed modified or superseded to conform to such laws, regulations and rules, but the remaining provisions of this Agreement shall remain in full force and effect.

3. SECURITY INTEREST AND LIEN; REGISTRATION OF SECURITIES. As security for the payment and performance of all of your obligations and liabilities from time to time outstanding to any Lehman Brothers Entity, whether under this Agreement or otherwise, each Lehman Brothers Entity shall have a continuing lien and first priority security interest in all your Assets, defined as (i) all property in which you now have or hereafter acquire an interest which is now or hereafter held by or through any Lehman Brothers Entity, including, but not limited to, any and all securities, accounts, instruments, documents, contract rights, contracts (including, but not limited to, open transactions, securities purchase or sale contracts, agreements to lend cash or securities, commodity contracts, futures contracts, forward contracts, repurchase agreements, swap agreements, contracts for differences or any other agreement, without regard to the form of such agreement which may include oral

agreements or agreements confirmed or signed by only one party to the agreement and agreements entered into or signed by a Lehman Brothers Entity on your behalf) (hereinafter "Contracts"), commercial paper and other securities, monies, deposit accounts and general intangibles (including all security entitlements in respect thereof, all income and profits thereon, all dividends, interest and other payments and distributions with respect thereto and all proceeds from any of the foregoing), and (ii) any and all rights, claims or causes of action you may now or hereafter have against any Lehman Brothers Entity. The continuing lien and first priority security interest shall apply to all such Assets, which from time to time may be deposited or credited to any account you may have with a Lehman Brothers Entity, be held or carried by a Lehman Brothers Entity for you, be due from a Lehman Brothers Entity to you, or be delivered to or in a Lehman Brothers Entity's possession or control for any purpose, including safekeeping. Such continuing lien and first priority security interest shall apply irrespective of whether or not Lehman Brothers has made advances in connection with such Assets, the number of accounts you have with Lehman Brothers or which particular Lehman Brothers Entity holds such Assets. You hereby acknowledge and agree that all such Assets held by or through any Lehman Brothers Entity are held as collateral by such Lehman Brothers Entity as agent and bailee for itself and all other Lehman Brothers Entities and, as such, each Lehman Brothers Entity shall comply with any orders or instructions originated by any other Lehman Brothers Entity with respect to or in connection with such collateral without your further consent. You and Lehman Brothers agree that all such Assets held in or credited to any account will be treated as financial assets under Article 8 of the Uniform Commercial Code as in effect in the State of New York (the "UCC") and that any account maintained by you with any Lehman Brothers Entity shall be a securities account under Article 8 of the UCC. In the event of a breach or default by you, a Lehman Brothers Entity shall have, in addition to the rights and remedies provided in this Agreement, all rights and remedies available to a secured creditor under the UCC and any other applicable law. You represent that all of the above-described Assets shall at all times be free and clear of all liens, claims and encumbrances of any nature other than the security interest created hereby. Assets consisting of securities shall be delivered in good deliverable form (or Lehman Brothers shall have the unrestricted power to place such securities in good deliverable form) in accordance with the requirements of the primary market for these securities. In addition, in order to satisfy any of your outstanding liabilities or obligations to any Lehman Brothers Entity, each Lehman Brothers Entity may, to the fullest extent permitted by law, at any time in its discretion and without prior notice to you, use, apply or transfer any and all securities or other property or Assets (including, without limitation, fully-paid securities and cash). You hereby agree that, except as otherwise specifically agreed in writing, each Lehman Brothers Entity may register and hold the securities and other property or Assets in your accounts in its name or the name of its designee. You shall execute such documents and take such other action as such Lehman Brothers Entity shall reasonably request in order to perfect its rights with respect to any of the Assets. In addition, you appoint Lehman Brothers as your attorney-in-fact to act on your behalf to sign, seal, execute and deliver all documents and do all such acts as may be required to realize upon any of Lehman Brothers' rights in the Assets.

4. BREACH, BANKRUPTCY OR DEFAULT. If you shall:

- (i) breach, repudiate or default under this Agreement or any Contract with any Lehman Brothers Entity, whether heretofore or hereafter entered into;
- (ii) make or repeat any misrepresentations in connection with this Agreement or any Contract with any Lehman Brothers Entity;
- (iii) state that you will not perform any obligation to any Lehman Brothers Entity;
- (iv) apply for, consent to or be the subject of an application or petition for the appointment of or the taking of possession by a receiver, custodian, trustee, liquidator or similar persons of yourself or of all or a substantial part of your property;
- (v) admit in writing your inability, or become generally unable, to pay your debts as such debts become due or give Lehman Brothers other grounds for insecurity, as determined by Lehman Brothers in its sole and absolute discretion (including, without limitation, death; mental incompetence; dissolution; the appointment of a receiver by or against you, any guarantor, co-signer or other party liable on or providing security for your obligations to any Lehman Brothers Entity or the attachment against your or such other party's account(s) with any Lehman Brothers Entity; or any indication of your refusal or inability to satisfy promptly any Margin Call (as defined below) or other obligation);

(vi) make a general assignment for the benefit of your creditors; or

(vii) file or be subject of the filing or entry of a petition or order for relief or be subject of the commencement of a proceeding regarding reorganization, bankruptcy, liquidation, dissolution or insolvency;

then, any such event shall constitute, at Lehman Brothers' election, a default by you under this Agreement and any or all Contracts you may then have with any Lehman Brothers Entity, whether heretofore or hereafter entered into. In the event of any such default, each Lehman Brothers Entity shall have all of the rights of a secured party upon default under the UCC and other applicable laws, rules and regulations, including, without limitation, the right, without prior notice to you, to sell any and all Assets in which you have an interest (including without limitation this Agreement and any Contract) held by or through any Lehman Brothers Entity (either individually or jointly with others), to buy any or all property which may have been sold short, to exercise any and all options and other rights, to accelerate, cancel, terminate, liquidate, close out and net the settlement payments and/or delivery obligations under any or all outstanding transactions and/or to purchase or sell any other securities or property to offset market risk, and to set off or offset any obligation owing by any Lehman Brothers Entity to you against any obligations owing by you to any Lehman Brothers Entity, after which you shall be liable to Lehman Brothers for any remaining deficiency, loss, costs or expenses incurred or sustained by Lehman Brothers in connection therewith. Such purchases and/or sales may be effected publicly or privately without notice or advertisement in such manner as Lehman Brothers may in its sole discretion determine. At any such sale or purchase, any Lehman Brothers Entity may purchase or sell the property to or from itself or third parties free of any right of redemption and you shall remain liable to Lehman Brothers for any deficiency; it being understood that a prior tender, demand or call of any kind from Lehman Brothers, or prior notice from Lehman Brothers, of the time and place of such sale or purchase shall not be considered a waiver of Lehman Brothers' right to buy or sell any securities, commodities or other property or Asset held by Lehman Brothers, or which you may owe to Lehman Brothers. In addition, each Lehman Brothers Entity shall have the right, at any time and from time to time, to set off and otherwise apply any and all amounts owing by such Lehman Brothers Entity to you or for your account against any and all amounts now or hereafter owing by you to any Lehman Brothers Entity (including, without limitation, any indebtedness in your accounts), whether matured or unmatured, fixed, contingent or otherwise and irrespective of whether any Lehman Brothers Entity shall have made any demand therefor. Lehman Brothers agrees to notify you of any such set-off and application, provided, however, that the failure to give such notice shall not affect the validity of any such set-off and application. You agree that any obligation of a Lehman Brothers Entity to you shall be subject to there being no breach, repudiation, misrepresentation or default (however characterized) by you which is continuing under any Contract with a Lehman Brothers Entity. You and Lehman Brothers intend this Agreement to be a master netting agreement.

5. ADEQUATE ASSURANCES. Subject to, and not as a limitation of, the rights of Lehman Brothers under this Agreement, if at any time Lehman Brothers has reasonable grounds for insecurity with respect to your performance of any of your obligations, Lehman Brothers may demand, and you shall give, adequate assurance of due performance within 24 hours, or within any shorter period of time. Lehman Brothers demands that is reasonable under the circumstances. The adequate assurance of performance that may be demanded by Lehman Brothers may include, but shall not be limited to, the delivery by you of additional property as collateral.

6. EXECUTION FEES AND SERVICE CHARGES. You understand that your account(s) will be charged brokerage commissions or mark-ups/mark-downs in connection with the execution of transactions ("Execution Fees") and may be charged certain other fees for custody and other services furnished to you ("Service Fees"). You further understand that Execution Fees may be changed from time to time upon prior written notice to you and that Service Fees may be changed from time to time upon prior written notice to you and, in each case, you agree to be bound thereby.

7. AMOUNTS OWED; TRUTH-IN-LENDING. You hereby acknowledge receipt of Lehman Brothers' Truth-in-Lending disclosure statement. You understand that interest will be charged on any amount you owe in your account(s) in accordance with the methods described in such statement or in any amendment or revision thereto which may be provided to you. Any amount due which is not paid at the close of an interest period will be added to the opening balance for the next interest period.

8. COLLECTION AND OTHER ACCOUNT-RELATED COSTS. You hereby agree to pay, on demand, all reasonable costs, liabilities and damages incurred by Lehman Brothers (including, without limitation, costs of

collection, attorneys' fees, court costs and other expenses) in connection with (i) enforcing its rights hereunder, (ii) any investigation, litigation or proceeding involving your account or any property therein (including, without limitation, claims to such property by third parties), (iii) your use of or access to any Lehman Brothers or third-party system or (iv) Lehman Brothers' acting in reliance upon instructions, including, but not limited to, instructions transmitted via electronic means, including facsimile or electronic mail, from you or your authorized agents (including investment managers or advisers). In each case and whether or not demand has been made therefor, you hereby authorize Lehman Brothers to charge your account(s) for any and all such costs, liabilities and damages, including, without limitation, those incurred in connection with the liquidation of any of your Assets.

9. IMPARTIAL LOTTERY ALLOCATION. You agree that, in the event Lehman Brothers holds on your behalf securities in its name, in the name of its designee or in bearer form which are called in part, you will participate in the impartial lottery allocation system for such called securities in accordance with the rules of The New York Stock Exchange, Inc. or any other appropriate self-regulatory organization. When any such call is favorable, no allocation will be made to any account in which, to the knowledge of Lehman Brothers, any officer, director or employee of Lehman Brothers has any financial interest until all other customers have been satisfied on an impartial lottery basis.

10. SECURITIES EVENTS. Lehman Brothers shall inform you if Lehman Brothers becomes aware of the occurrence or prospective occurrence of any of the following with respect to any securities in your account(s): conversions, subdivision or consolidation; redemption; a takeover offer; calls, including calls on partly-paid securities and published calls; a capitalization issue; rights issue; distribution of income in the form of securities; or a certificate which may at a future date be exchanged for securities or an entitlement to acquire securities. Subject to Section 19 herein, if Lehman Brothers receives notice from you that you wish to act on any of the events referenced in this section and such notice is received by Lehman Brothers within a reasonable time for Lehman Brothers to act on such event, Lehman Brothers will act in accordance with your wishes. You represent that you review all prospectuses and offering statements that you may receive and understand the risks inherent with your securities transactions, including any risks associated with the above-described securities events.

11. VOTING RIGHTS. If any right to vote arises with respect to securities in your account, you may inform Lehman Brothers that you wish to exercise such right as you specify. Subject to Section 19 hereof, if Lehman Brothers receives this notice within a reasonable time to act, it will act in accordance with your wishes. If Lehman Brothers does not receive such timely notice from you, it will use its discretion to decide whether and how to vote such securities.

12. WAIVER, ASSIGNMENT AND NOTICES. Neither Lehman Brothers' failure to insist at any time upon strict compliance with this Agreement or with any of the terms hereof nor any continued course of such conduct on its part shall constitute or be considered a waiver by Lehman Brothers of any of its rights or privileges hereunder. Any purported assignment of your rights and/or obligations hereunder without obtaining the prior written consent of an authorized representative of Lehman Brothers shall be null and void. Each Lehman Brothers Entity reserves the right to assign any of its rights or obligations hereunder or under any Contract to any other Lehman Brothers Entity without prior notice to you. Notices and other communications to you (including, without limitation, Margin Calls) that are sent by electronic means, including facsimile or electronic mail, sent by express delivery service or mailed, in each case to the address or number provided by you, shall, until the respective Lehman Brothers Entity has received notice in writing of a different address or number, be deemed to have been personally delivered to you. Margin Calls may also be communicated orally, without subsequent written confirmation.

13. FREE CREDIT BALANCES. You hereby authorize Lehman Brothers to use any free credit balance awaiting investment or reinvestment in your account(s) in accordance with all applicable rules and regulations and to pay interest thereon at such rate or rates and under such conditions as are established from time to time by Lehman Brothers for such account(s) and for the amounts of cash so used.

14. RESTRICTIONS ON ACCOUNT. You understand that Lehman Brothers, in its sole and absolute discretion, may restrict or prohibit trading of securities or other property in your account(s) and may terminate your account(s), and you shall nevertheless remain liable for all of your obligations to the Lehman Brothers Entities under this Agreement or any Contract. In the event that Lehman Brothers, in its sole and absolute discretion, determines to

impose such restrictions on your account(s) due to credit, margin, legal, regulatory, money laundering or other concerns, Lehman Brothers shall be under no obligation to provide you with prior notice of such restriction.

15. CREDIT INFORMATION AND INVESTIGATION. You authorize Lehman Brothers, in its discretion, at any time and from time to time, to make or obtain reports concerning your credit standing and business conduct (including, but not limited to, obtaining audited account statements, if such are available). You may make a written request for a description of the nature and scope of the reports made or obtained by Lehman Brothers and the same will be provided to you within a reasonable period of time.

16. SHORT AND LONG SALES. In placing any sell order for a short account, you will designate the order as such and hereby authorize Lehman Brothers to mark the order as being "short". You are required to and will comply with all applicable rules and regulations relating to short sale transactions. In placing any sell order for a long account, you will designate the order as such and hereby authorize Lehman Brothers to mark the order as being "long". The designation of a sell order as being for a long account shall constitute a representation by you that you own the security with respect to which the order has been placed, that such security is not restricted under Rules 144 and/or 145 under the U.S. Securities Act of 1933 (as may be amended, modified or supplemented) or any other applicable law, rule or regulation and, as such, may be sold without restriction in the open market and that, if Lehman Brothers does not have the security in its possession at the time you place the order, you shall deliver the security by settlement date in good deliverable form or pay to Lehman Brothers any losses and expenses it may incur or sustain as a result of your failure to make delivery on a timely basis.

17. MARGIN ACCOUNTS. All Loans made hereunder are demand loans. You hereby agree to deposit and maintain such cash or collateral as margin in your margin accounts, if any, as Lehman Brothers may in its sole discretion require, and you agree to pay forthwith on demand any amount owing with respect to any of your margin accounts to satisfy Lehman Brothers' demand for such payment (a "Margin Call"). In addition, you further agree to deposit promptly and maintain such other collateral with Lehman Brothers as is required by any Contract you may have with any Lehman Brothers Entity. Upon your failure to make any such payment or deposit, or if at any time Lehman Brothers, in its sole discretion, deems it necessary for its protection, whether with or without prior demand, call or notice, Lehman Brothers shall be entitled to exercise all rights and remedies provided herein. No demands, calls, tenders or notices that Lehman Brothers may have made or given in the past in any one or more instances shall invalidate your waiver of the requirement to make or give the same in the future.

18. SECURITIES CONTRACTS. You acknowledge and agree that any positions in your account(s) shall be deemed "securities contracts" within the meaning of Sections 555 and 741(7) (as may be amended, modified or supplemented) of the U.S. Bankruptcy Code.

19. CONSENT TO LOAN OR PLEDGE OF SECURITIES IN MARGIN ACCOUNTS.

(a) Except as noted in subparagraph (b) below, within the limits of applicable law and regulations, you hereby authorize Lehman Brothers to lend either to itself or to others any securities held by Lehman Brothers in any of your accounts, to convey therewith all attendant rights of ownership (including voting rights and the right to transfer the securities to others), and to use all such property as collateral for its general loans. Any such property, together with all attendant rights of ownership, may be pledged, repledged, hypothecated or rehypothecated either separately or in common with other property for any amounts due to Lehman Brothers thereon or for a greater sum, and Lehman Brothers shall have no obligation to retain a like amount of similar property in its possession and control. You hereby acknowledge that, as a result of such activities, Lehman Brothers may receive and retain certain benefits to which you will not be entitled. In certain circumstances, such loans, pledges, repledges, hypothecations or rehypothecations may limit, in whole or in part, your ability to exercise voting and other attendant rights of ownership with respect to the loaned or pledged securities. You agree to waive the right to vote, or to provide any consent or to take any similar action with respect to these securities in the event that the record date or deadline for such vote, consent or other action falls during the period of any such loan, pledge, repledge, hypothecation or rehypothecation.

(b) Unless otherwise agreed by Lehman Brothers and you, you will be entitled to receive all distributions, including, but not limited to, cash, stock dividends and interest payments, made on or in respect of any loaned, pledged, repledged, hypothecated or rehypothecated securities which are not otherwise received by you, to the full

extent you would be entitled if the securities had not been loaned, pledged, repledged, hypothecated or rehypothecated.

20. OPTIONS POSITIONS. You represent and warrant not to enter into any purchase or sale of equity, debt, foreign currency or index put or call options without having read and fully understood the terms, conditions and risks as set out in the Characteristics and Risks of Standardized Options booklet and applicable supplements. You understand that short options positions are assigned on an automated random basis and may be assigned on the day written. You will notify Lehman Brothers of your intention to exercise listed options no later than two hours before the expiration time of the option (one hour in the case of an over-the-counter option). Failure to give such notice will constitute an abandonment of the option, in which case Lehman Brothers may, but shall be under no obligation to, exercise the option.

21. PRIME BROKERAGE SERVICES. Under the terms and conditions of this Agreement, LBI will act as a prime broker for you in accordance with the no-action letter of the Securities and Exchange Commission dated January 25, 1994, as such letter may be amended, modified or supplemented from time to time (the "SEC Letter") and the provisions set forth below:

(a) LBI will, subject to the terms and conditions of this Agreement, accept for clearance and settlement trades executed on your behalf by such executing brokers as you may designate from time to time and who have received LBI's prior approval and who have previously executed an agreement with LBI setting forth the terms and conditions under which such executing brokers will be authorized to accept orders from you for settlement by LBI (the "Executing Brokerage Agreement").

(b) LBI shall be responsible for settling trades executed on your behalf by your executing broker(s) and reported to LBI by you and your executing broker(s) provided that you have reported to LBI on trade date, by the time designated to you by LBI, all the details of such trades including, but not limited to, the contract amount, the security involved, the number of shares or the number of units and whether the transaction was a long or short sale or a purchase, and further provided that LBI has either affirmed or not "DK'd" ("indicated it does not know") and has not subsequently disaffirmed such trades. In the event that LBI determines not to settle a trade, LBI shall not have settlement responsibility for such trade and shall, instead, send you a cancellation notification to offset the notification sent to you under sub-paragraph (c) of this paragraph. You shall be solely responsible and liable to your executing broker(s) for settling such trade. In addition, LBI may be required to cease providing prime brokerage services to you in accordance with the Executing Brokerage Agreement.

(c) On the day following each transaction, LBI shall send you a confirmation of each trade placed with an executing broker in accordance within the SEC Letter based upon the information you provided to LBI. Any confirmations issued by LBI as prime broker shall identify the executing broker and provide you with the information required by the SEC Letter. Confirmations of the execution of orders and other activity in your account(s) which have been provided or made available to you by 10:00 a.m. (New York time) on the business day immediately following the trade date shall be conclusive if not objected to by 2:00 p.m. (New York time) on such business day or, if such reports are provided or made available to you after 10:00 a.m. (New York time) on such business day, then such confirmations shall be conclusive if not objected to within four (4) hours after such confirmations have been provided or made available to you. Monthly statements shall be sent to you in accordance with the SEC Letter. Information contained in monthly statements of account, to the extent not included in an activity report, shall be conclusive if not objected to within ten (10) days after such statements have been provided or made available to you. LBI may send communications to your address of record or another address provided to LBI in writing. All communications sent to such address, whether by mail, facsimile, telegraph, messenger, electronic means or otherwise, shall be deemed to have been given to you personally as of the date and time sent, whether actually received or not.

(d) In the event of: (i) the filing of a petition or other proceeding in bankruptcy, insolvency or for the appointment of a receiver by or against your executing broker, (ii) the termination of your executing broker's registration and the cessation of business by it as a broker-dealer, or (iii) your executing broker's failure, inability or refusal, for any reason whatsoever or for no reason at all, to settle a trade, and if LBI agrees to settle any trades executed on your behalf by such executing broker, regardless of whether LBI either affirmed or did not DK and did

not disaffirm such trades, you shall be solely responsible, and liable to LBI, for any losses arising out of or incurred in connection with LBI's agreement to settle such trades.

(e) You shall maintain in your account with LBI such minimum net equity in cash or securities as LBI, in its sole discretion, may require from time to time (the "Lehman Brothers Net Equity Requirements"), which shall in no event be less than the minimum net equity required by the SEC Letter (the "SEC Net Equity Requirements"). In the event your account falls below the SEC Net Equity Requirements, you hereby authorize LBI to notify promptly all executing brokers with whom it has an Executing Brokerage Agreement on your behalf of such event. Moreover, if you fail to restore your account to compliance with the SEC Net Equity Requirements within the time specified in the SEC Letter, LBI shall, without notice to you: (i) notify all such executing brokers that LBI is no longer acting as your prime broker and (ii) either not affirm or "DK" ("indicate that it does not know") all prime brokerage transactions on your behalf with a trade date after the business day on which such notification was sent. In the event (i) your account falls below the Lehman Brothers Net Equity Requirements, (ii) LBI determines in its sole discretion that there would not be enough cash in your account to settle such transactions or that a maintenance Margin Call may be required as a result of settling such transactions, or (iii) LBI determines in its sole discretion that the continuation of prime brokerage services to you presents an unacceptable risk to Lehman Brothers taking into consideration all the facts and circumstances, then LBI may disaffirm all your prime brokerage transactions and/or cease to act as your prime broker. In any such case, LBI shall send a cancellation notification to you, and you understand that you must settle outstanding trades directly with the relevant executing broker and that you authorize LBI to provide the executing broker with any information useful to settle such trades. You further agree that LBI will not be bound to make any investigation into the facts surrounding any transaction to which you are a party and that immediately upon notice to you and, if required, to the executing brokers, LBI may cease acting as your prime broker.

(f) If you have instructed your executing broker(s) to send confirmations to you in care of LBI, as your prime broker, the confirmation sent by such executing broker is available to you promptly from LBI (once received), at no additional charge.

(g) If your account is managed on a discretionary basis, you hereby acknowledge that your prime brokerage transactions may be aggregated with those of other accounts of your adviser, according to your adviser's instructions, for execution by your executing broker(s) in a single bulk trade and for settlement in bulk by LBI. You understand that no part of any transaction may be allocated to any other account where such other account's net equity is below the minimum levels established in the SEC Letter and that, should such a net equity deficiency occur in any such other account, LBI must disaffirm the entire transaction. In the event any trade is disaffirmed, as soon as practicable thereafter, LBI shall supply your executing broker(s) with the allocation of the bulk trade, based upon information provided by your adviser.

(h) You hereby authorize LBI to disclose your name, address and tax I.D. number to your executing broker(s) to enable such executing broker to establish on its books an account for you to be used in the event transactions are disaffirmed by LBI.

(i) Lehman Brothers will not be responsible or liable for any acts or omissions of any executing broker or its employees. You understand that Lehman Brothers does not act as investment adviser or solicit orders, that Lehman Brothers does not advise prime brokerage customers, perform any analysis, or make any judgment on any matters pertaining to the suitability of any order, or offer any opinion, judgment or other type of information pertaining to the nature, value, potential or suitability of any particular investment.

(j) You agree to indemnify and hold Lehman Brothers harmless from any loss, claim or expense, including attorneys' fees, incurred by Lehman Brothers in connection with Lehman Brothers acting or declining to act as prime broker for you and to fully reimburse Lehman Brothers for any legal or other expenses (including the cost of any investigation and preparation) which Lehman Brothers may incur in connection with any claim, action, proceeding or investigation arising out of or in connection with this Agreement or any transactions hereunder.

(k) You represent and warrant that you are currently in compliance, and during the term of this Agreement will remain in compliance, with all applicable requirements of the SEC Letter, including, but not limited to, the requirement that you execute an agreement with each executing broker.

(i) The prime brokerage services hereunder shall be provided in a manner consistent with the SEC Letter.

22. LEGALLY BINDING. You hereby agree that this Agreement and all of the terms hereof shall be binding upon you and your estate, heirs, executors, administrators, personal representatives, successors and assigns. You further agree that all purchases and sales shall be for your account(s) in accordance with your oral or written instructions. You hereby waive any and all defenses that any oral instruction was not in writing as may be required by any applicable law, rule or regulation. With respect to any of your accounts maintained in connection with this Agreement, you hereby authorize Lehman Brothers to act and rely on any instructions (including, without limitation, instructions to transfer cash or securities, purchase or sell securities, enter into derivative or other transactions or borrow money or securities) received by Lehman Brothers from any of the persons listed on Exhibit A, as such list may be amended by you from time to time. In addition, you hereby authorize Lehman Brothers to act and rely on any instructions received by Lehman Brothers from any of your employees or agents (including any investment manager or adviser) that Lehman Brothers reasonably believes is authorized to so act on your behalf.

23. AMENDMENT. You agree that Lehman Brothers may modify the terms of this Agreement at any time upon prior written notice to you. By continuing to accept services from Lehman Brothers thereafter, you will have indicated your acceptance of any such modification. If you do not accept such modification, you must notify Lehman Brothers in writing; your account may then be terminated by Lehman Brothers, after which you will remain liable to Lehman Brothers for all outstanding liabilities and obligations. Otherwise, this Agreement may not be modified absent a written instrument signed by an authorized representative of Lehman Brothers.

24. GOVERNING LAW. THIS AGREEMENT SHALL BE DEEMED TO HAVE BEEN MADE IN THE STATE OF NEW YORK AND SHALL BE CONSTRUED, AND THE CONTRACTUAL AND ALL OTHER RIGHTS AND LIABILITIES OF THE PARTIES DETERMINED, IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO ANY CONFLICTS OF LAW PRINCIPLES THEREOF.

25. JURISDICTION; WAIVER OF JURY TRIAL. The parties shall attempt in good faith to promptly resolve any dispute arising out of, relating to or in connection with this Agreement or any transactions hereunder by negotiations by executives of the parties who have the authority to settle the controversy. With respect to any suit, action or proceedings relating to this Agreement ("Proceedings"), each party irrevocably submits to the exclusive jurisdiction of the courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York City and waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such party. ANY RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY CLAIM OR ACTION IS HEREBY WAIVED BY ALL THE PARTIES TO THIS AGREEMENT.

26. WAIVER OF IMMUNITIES. Each party irrevocably waives, to the fullest extent permitted by applicable law, with respect to itself and its revenues and assets, all immunity on the grounds of sovereignty or other similar grounds from (i) suit, (ii) jurisdiction of any court, (iii) arbitration, (iv) relief by way of arbitration award, injunction, order for specific performance or recovery of property, (v) attachment of its assets (whether before or after judgment) and (vi) execution or enforcement of any judgment or arbitration award and irrevocably agrees, to the fullest extent permitted by applicable law, that it will not claim any such immunity.

27. TRANSFERS. Lehman Brothers shall have the right to transfer Assets between any account in order to satisfy any of your obligations to Lehman Brothers. When giving instructions to transfer Assets from your accounts to any bank or other entity, you agree that all such requests will have been approved by an authorized signatory and you agree to provide Lehman Brothers with an accurate account number designating the account to receive such Assets. You agree to indemnify and hold Lehman Brothers harmless from and against all liabilities arising from the provision of an inaccurate account number or any other liabilities arising as a result of the transfer at your request.

28. PROVISION OF DATA. With respect to any market data or other information that Lehman Brothers or any third party service provider provide to you, (i) Lehman Brothers and any such provider are not responsible or liable if any such data or information is inaccurate or incomplete in any respect; (ii) Lehman Brothers and any such provider are not responsible or liable for any actions that you take or do not take based on such data or information;

(iii) you will use such data or information solely for the purposes set forth in this Agreement and any other agreement between us; (iv) such data or information is proprietary to Lehman Brothers and any such provider and you will not retransmit or disclose such data or information to third parties except as required by applicable law or regulation; and (v) you will use such data or information solely in compliance with applicable laws, rules and regulations.

29. EXTRAORDINARY EVENTS. You agree that Lehman Brothers will not be liable for any loss caused, directly or indirectly, by government restrictions, exchange or market rulings, suspension of trading, war (whether declared or undeclared), terrorist acts, insurrection, riots, fires, flooding, strikes, failure of utility services, accidents, adverse weather or other events of nature, including but not limited to earthquakes, hurricanes and tornadoes, or other conditions beyond Lehman Brothers' control. In the event that any communications network, data processing system, or computer system Lehman Brothers uses is rendered inoperable, Lehman Brothers will not be liable to you for any loss, liability, claim, damage or expense resulting, either directly or indirectly, therefrom.

30. LIMITATION OF LIABILITY. Lehman Brothers shall not be liable in connection with the execution, clearing, handling, purchasing or selling of securities, commodities or other property, or other action, except for gross negligence or willful misconduct on Lehman Brothers' part. You understand that certain securities may be held outside the United States by unaffiliated, foreign agent banks and depositories. Lehman Brothers will not be liable to you for any loss, liability or expense incurred by you in connection with these arrangements except to the extent that any such loss, liability or expense results from Lehman Brothers' gross negligence or willful misconduct. In no event will Lehman Brothers be liable for any special, indirect, incidental or consequential damages arising out of this Agreement.

31. HEADINGS; COUNTERPARTS. The headings of the provisions hereof are for ease of reference only and shall not affect the interpretation or application of this Agreement or in any way modify or qualify any of the rights provided for hereunder. This Agreement may be executed in counterparts, each of which shall be deemed an original.

32. TELEPHONE CONVERSATIONS. For the protection of both you and Lehman Brothers, and as a tool to correct misunderstandings, you hereby authorize Lehman Brothers, at Lehman Brothers' discretion and without prior notice to you, to monitor and/or record any or all telephone conversations or electronic communications between you and Lehman Brothers or any of Lehman Brothers' employees or agents. You acknowledge that Lehman Brothers may determine not to make or keep any of such recordings and that such determination shall not in any way affect any party's rights.

33. CUMULATIVE RIGHTS; ENTIRE AGREEMENT. The rights, remedies, benefits and protections afforded to each Lehman Brothers Entity under this Agreement and under any Contract you may have with any Lehman Brothers Entity, whether heretofore or hereafter entered into, are cumulative and in addition to any other rights, remedies, benefits and protections that any Lehman Brothers Entity may have. To the extent that the provisions of any Contracts you have with any Lehman Brothers Entity, whether heretofore or hereafter entered into, are inconsistent (whether the inconsistency be between the Contracts or within a single Contract), the conflict shall be resolved in favor of the provision which affords Lehman Brothers with the maximum rights, remedies, benefits or protections. You hereby appoint Lehman Brothers as your agent and attorney-in-fact to take any action (including, but not limited to, the filing of financing statements) necessary or desirable to perfect and protect the security interest granted herein or to otherwise accomplish the purposes of this Agreement. Except as set forth above, this Agreement represents the entire agreement and understanding between you and Lehman Brothers concerning the subject matter hereof.

34. CAPACITY TO CONTRACT; ANTI-MONEY LAUNDERING; AFFILIATIONS. You represent that you have the capacity and authority to enter into this Agreement. You represent to the best of your knowledge that you do not maintain or transact business for or with nor will you introduce individuals or entities to Lehman Brothers that the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") has listed as "Specially Designated Nationals and Blocked Persons" nor with any client in an embargoed country as determined by OFAC. Furthermore, you represent that you have conducted thorough due diligence with respect to all of your clients, and you do not know or have any reason to suspect that the monies used to fund the account have been or will be derived from or related to any illegal activities, including but not limited to, money laundering activities. You agree to

provide Lehman Brothers with any information that it may require in relation to compliance with any applicable money laundering regulations. Each representation or warranty made by you in this Agreement will be deemed to be repeated by you on each date on which a transaction occurs hereunder.

You represent that you are of legal age and that, unless you have notified Lehman Brothers to the contrary, neither you nor any member of your immediate family is: (i) an employee or member of any exchange, (ii) an employee or member of the National Association of Securities Dealers, Inc. or any of its affiliates, (iii) an individual or an employee of any corporation or firm engaged in the business of dealing, as broker or principal, in securities, options or futures or (iv) an employee of any bank, trust company or insurance company. If you are signing on behalf of others, you hereby represent that the persons(s) or entity(ies) on whose behalf you are signing is/are authorized to enter into this Agreement and that you are duly authorized to sign this Agreement and make the representations contained herein in the name and on behalf of such other person(s) or entity(ies) and you agree to indemnify and hold Lehman Brothers harmless from any claim or claims arising from your unauthorized execution of this Agreement on the behalf of such other person(s) or entity(ies). You hereby authorize Lehman Brothers to accept faxed copies of this or any other document or instruction as if it were the original and further to accept signatures on said faxes as if they were original.

PLEASE COMPLETE THIS INFORMATION AND SIGN THE APPROPRIATE SPACE BELOW:

THIS AGREEMENT IS DATED AS OF _____, 2007

Stonehill Institutional Partners LP

Name of Customer

885 Third Avenue - 30th Floor

Address

USA

Country

New York, NY

City, State

10022-4834

Zip Code + 4

BY SIGNING THIS AGREEMENT, YOU ACKNOWLEDGE THAT:

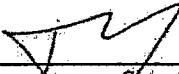
YOU HAVE RECEIVED A COPY OF THIS AGREEMENT AND AGREE TO ITS TERMS AND CONDITIONS.

**CUSTOMER
NAME:**

Stonehill Institutional Partners LP

Individual or Printed Name of Company

SIGNATURE:


Signature of Authorized Person

PRINT NAME:

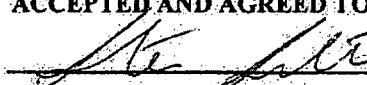
John Motulsky, General Partner

*Printed Name and Title of Signatory or Name of General
Partner if Signer is a Partnership*

BY:

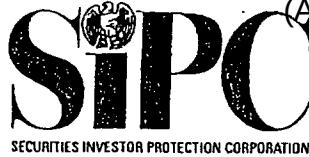
*Authorized Signatory and Title of General Partner if Above
Signer is a Partnership Otherwise Blank*

ACCEPTED AND AGREED TO:


Lehman Brothers Inc., as signatory for itself and as agent for the affiliates
named herein.

9-10-07

EXHIBIT B



CUSTOMER CLAIM FORM
LEHMAN BROTHERS INC.

STONEHILL INSTITUTIONAL
 ACCOUNT #: 73240126
 PARTNERS LP
 885 THIRD AVE 30TH FL
 NEW YORK NY 10022-4834

Daytime Phone: 212 739 7474

Email: c.wilson@stonehillcap.com

Contact Person: Chris Wilson

Taxpayer I.D. Number

(Social Security No.): 13-3982121

PLEASE NOTE

- **A SEPARATE CLAIM FORM SHOULD BE FILED FOR EACH ACCOUNT.**
- **TO BE ELIGIBLE FOR THE MAXIMUM PROTECTION AFFORDED UNDER THE SECURITIES INVESTOR PROTECTION ACT ("SIPA"), ALL CUSTOMER CLAIMS SHOULD BE RECEIVED BY THE TRUSTEE ON OR BEFORE JANUARY 30, 2009; THE TRUSTEE WILL DETERMINE WHETHER CLAIMS MEET THE STATUTORY REQUIREMENTS FOR "CUSTOMER" CLAIMS UNDER SIPA; INCLUSION OF A CLAIM OR CLAIM TYPE ON THIS CLAIM FORM IS NOT DETERMINATIVE OF CUSTOMER STATUS UNDER SIPA.**
- **THE DEADLINE FOR FILING ALL CLAIMS IS JUNE 1, 2009. NO CLAIM WILL BE ALLOWED IF IT IS RECEIVED AFTER THAT DATE.**
- **ALL CLAIMS ARE DATED AS OF THE DATE RECEIVED BY THE TRUSTEE.**
- **YOU MAY FILE YOUR CLAIM ELECTRONICALLY ONLINE AT WWW.LEHMANTRUSTEE.COM OR SEND YOUR COMPLETED AND SIGNED CLAIM FORM TO THE TRUSTEE VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED.**
- **IF YOUR ACCOUNT HAS BEEN TRANSFERRED TO ANOTHER BROKERAGE FIRM, BUT YOU BELIEVE YOU HAVE A CLAIM FOR PROPERTY OWED TO YOU BY LEHMAN BROTHERS INC., YOU MUST FILE A CLAIM TO PROTECT YOUR RIGHTS.**
- **LEHMAN BROTHERS INC. IS THE ONLY LEHMAN ENTITY THAT IS A DEBTOR IN THIS SIPA LIQUIDATION PROCEEDING. THIS CUSTOMER CLAIM FORM APPLIES ONLY TO LEHMAN BROTHERS INC. AND DOES NOT APPLY TO ANY OTHER LEHMAN ENTITY, INCLUDING ANY ENTITY IN A PROCEEDING UNDER CHAPTER 11 OF TITLE 11 OF THE UNITED STATES CODE.**

This claim form must be completed electronically online at www.lehmantrustee.com or mailed promptly, together with supporting documentation, to the following:

If by first class mail:

Lehman Brothers Inc. Claims Processing
 c/o Epiq Bankruptcy Solutions, LLC
 P.O. Box 6389
 Portland, OR 97228-6389

If by overnight mail:

Lehman Brothers Inc. Claims Processing
 c/o Epiq Bankruptcy Solutions, LLC
 10300 SW Allen Blvd
 Beaverton, OR 97005

1. CLAIM FOR MONEY BALANCES OR CASH AS OF SEPTEMBER 19, 2008:

a. LBI owes me a credit or cash in the amount of: \$ See Attached

b. I owe LBI a debit or cash in the amount of: \$ _____

c. If you wish to repay the debit balance listed in point b. above please insert the amount you wish to repay and attach a check payable to "James W. Giddens, Trustee for the SIPA Liquidation of Lehman Brothers Inc." If you wish to make a payment, **it must be enclosed** with this claim form. \$ _____

2. CLAIM FOR SECURITIES AS OF SEPTEMBER 19, 2008:

Please Do Not Claim Any Securities You Have In Your Possession

	<u>YES</u> (Circle Y or N)	<u>NO</u> (Circle Y or N)
a. LBI owes me securities:	<input checked="" type="radio"/> Y	N
b. I owe LBI securities:	Y	N
c. If yes to either, please list below (or in additional pages as necessary):		

Trade Date of Transaction (mm/dd/yyyy)	Name of Security	CUSIP	LBI Owes Me (Long)	I Owe LBI (Short)	Face Amount of Bonds
	See attached				

If additional space is needed, attach additional pages providing the information in the exact format above.

3. COMMODITY FUTURES CLAIMS

YES NO

(Circle Y or N)

Do you have a claim based on a commodity futures account?

Y

N

If the answer to the above question is "yes," please state the amount, and explain the basis for your claim below, attaching additional pages and supporting documents as necessary:

Amount of Claim: _____

Basis for Claim: _____

WHEN COMPLETING SECTIONS 1 THROUGH 3 PLEASE KEEP IN MIND:

- If you cannot compute the amount of your claim, you may file an estimated claim. In that case, please indicate that your claim is an estimated claim.
- Proper documentation can speed the review, allowance, and satisfaction of your claim.
- Please enclose: copies of your last LBI account statement; purchase or sale confirmation slips; copies of checks that relate to the securities or cash you claim; and any other documentation or correspondence you believe will be of assistance in processing your claim.
- Please explain any differences between the securities or cash claimed and the cash balance and securities positions on your last account statement.
- If, at any time, you complained in writing about the handling of your account to any person or entity or regulatory authority, and the complaint relates to the cash and/or securities that you are now seeking, please be sure to provide with your claim copies of the complaint and all related correspondence, as well as copies of any replies that you received.

PLEASE CIRCLE THE APPROPRIATE ANSWER FOR ITEMS 4 THROUGH 11.

NOTE: IF "Y" IS CIRCLED FOR ANY ITEM, PROVIDE A DETAILED EXPLANATION ON A SIGNED ATTACHMENT. IF SUFFICIENT DETAILS ARE NOT PROVIDED, THIS CLAIM FORM WILL BE RETURNED FOR YOUR COMPLETION.

YES NO

(Circle Y or N)

4. Does your claim in any way relate to an entity other than Lehman Brothers Inc. (for example, Lehman Brothers Holdings Inc., or another Lehman subsidiary)?
5. Has there been any change in your account since September 19, 2008?

Y

N

Y

N

6. Are you or were you a party to a repurchase or reverse repurchase agreement, director, officer, partner, shareholder, lender to, or capital contributor of LBI? Y N

7. Are you related to, or do you have any business venture with, any of the persons specified in "6" above, or any employee or other person associated in any way with LBI? If so, give name(s). Y N

8. Are or were you a person who, directly or indirectly and through agreement or otherwise, exercised or had the power to exercise a controlling influence over the management or policies of LBI? Y N

9. Is this claim being filed on behalf of a customer of a broker or dealer or bank? If so, provide documentation with respect to each customer on whose behalf you are claiming. Y N

10. Have you ever given any discretionary authority to any person to execute securities transactions with or through LBI on your behalf? Give names, addresses and phone numbers. Y N

11. Have you or any member of your family ever filed a claim under the Securities Investor Protection Act of 1970? If so, give name of that broker. Y N

Please list the full name, address, phone number, and email address of anyone assisting you in the preparation of this claim form:

Full name: _____

Address: _____

Phone number: _____

Email address: _____

If more than one person is assisting you, attach additional pages providing the information in the exact format above.

IT IS A VIOLATION OF FEDERAL LAW TO FILE A FRAUDULENT CLAIM. CONVICTION CAN RESULT IN A FINE OF UP TO \$50,000 OR IMPRISONMENT OF UP TO FIVE YEARS OR BOTH.

THE FOREGOING CLAIM IS TRUE AND ACCURATE TO THE BEST OF MY INFORMATION AND BELIEF.

Date January 26, 2009

Signature Christopher Wilson

Date _____

Signature Managing Member
Stonehill General Partner LLC,
its General Partner

(If ownership of the account is shared, all must sign above. Give each owner's name, address, phone number, and extent of ownership on a signed separate sheet. If other than a personal account, e.g., corporate, trustee, custodian, etc., also state your capacity and authority. Please supply the trust agreement or other proof of authority.)

B 10 (Official Form 10) (12/07)

UNITED STATES BANKRUPTCY COURT Southern District of New York		PROOF OF CLAIM
Name of Debtor: Lehman Brothers, Inc.	Case Number: 08-01420 (JMP) SIPA	
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): Name and address where notices should be sent: Telephone number:	<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____	
Name and address where payment should be sent (if different from above): Telephone number:	<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.	
1. Amount of Claim as of Date Case Filed: \$ <u>See attached</u> If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4. If all or part of your claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.	5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount. Specify the priority of the claim.	
2. Basis for Claim: <u>Customer Property</u> (See instruction #2 on reverse side.) 3. Last four digits of any number by which creditor identifies debtor: _____ 3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.) 4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information. Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: Value of Property: \$ _____ Annual Interest Rate % Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____ Basis for perfection: _____ Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____	<input type="checkbox"/> Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier – 11 U.S.C. §507 (a)(4). <input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. §507 (a)(5). <input type="checkbox"/> Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. §507 (a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. §507 (a)(8). <input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. §507 (a) _____. Amount entitled to priority: \$ _____	
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim. 7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See definition of "redacted" on reverse side.) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain:		
Date: <u>Jan 26, 2009</u>	Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any. <i>Christopher Walker, managing Member, Stonehill General Partner LLC its General Partner</i>	FOR COURT USE ONLY
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.		

*Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

B 10 (Official Form 10) (12/07) – Cont.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:

Fill in the federal judicial district where the bankruptcy case was filed (for example, Central District of California), the bankruptcy debtor's name, and the bankruptcy case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is located at the top of the notice.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the Bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

4. Secured Claim:

Check the appropriate box and provide the requested information if the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See DEFINITIONS, below.) State the type and the value of property that secures the claim, attach copies of lien

documentation, and state annual interest rate and the amount past due on the claim as of the date of the bankruptcy filing.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. §507(a):

If any portion of your claim falls in one or more of the listed categories, check the appropriate box(es) and state the amount entitled to priority. (See DEFINITIONS, below.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Credits:

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

7. Documents:

Attach to this proof of claim form redacted copies documenting the existence of the debt and of any lien securing the debt. You may also attach a summary. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary. FRBP 3001(c) and (d). Do not send original documents, as attachments may be destroyed after scanning.

Date and Signature:

The person filing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2), authorizes courts to establish local rules specifying what constitutes a signature. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. Attach a complete copy of any power of attorney. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS

Debtor

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is the person, corporation, or other entity owed a debt by the debtor on the date of the bankruptcy filing.

Claim

A claim is the creditor's right to receive payment on a debt that was owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. §506(a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car.

A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. §507(a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax-identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION

Acknowledgment of Filing of Claim

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system (www.pacer.psc.uscourts.gov) for a small fee to view your filed proof of claim.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

If you would like to file a claim online please go to www.lehmantrustee.com and select the link for the online claim form. You will need the tracking number and mail id listed below to complete your claim online.

Tracking No: 50765; Mail ID: 40141



STONEHILL INSTITUTIONAL
PARTNERS LP
885 THIRD AVE 30TH FL
NEW YORK NY 10022-4834

**Stonehill Capital Management LLC
885 Third Avenue, 30th Floor
New York, NY 10022
(212) 739-7474**

Contacts: **Chris Wilson, Managing Member, cwilson@stonehillcap.com**
Steve Nelson, Chief Financial Officer, snelson@stonehillcap.com
Ann Kalter, Accounting Manager, akalter@stonehillcap.com

Date: **January 26, 2009**

RE: STONEHILL INSTITUTIONAL PARTNERS, L.P.
Primary LBI account number: 732-40126

Customer Claims in Lehman Brothers Inc. (LBI)

Stonehill Institutional Partners, L.P. (SI) was one of the largest prime brokerage clients of LBI and LBI was SI's sole prime broker. The professionals representing the LBI estate have invested long hours and have been extremely accommodating in returning the vast majority of SI's securities, and Stonehill is very appreciative of those efforts to date. However a substantial list of securities has not yet been delivered, and substantial cash has accumulated at LBI as well, which elements comprise SI's customer claim. This customer claim is supported by voluminous information; the attachments evidencing this claim are intended to provide ample support, but SI has substantial additional information that can be provided upon request.

Securities

SI received extensive deliveries of its securities in late October and in late December/early January; however, additional securities remain at LBI. A list of securities still carried at LBI is attached as SI Exhibit A.

Cash

SI's cash claim is presented in several components for ease of understanding:

Component 1 – Error in Calculation at “True-Up” Date:

In late October, 2008, at the time of the initial delivery of securities from LBI to SI, LBI's representatives performed a comprehensive analysis of SI's account and calculated

SI's cash balance to be, as of September 19, 2008, a debit amount (owed to LBI) of \$1,954,955.01. SI Exhibit B includes the Summary, and Brokerage Account Statement generated by LBI and delivered to SI at that time. On October 21, 2008, SI paid that amount to the SIPC trustee, effectively zeroing out its cash balance as of September 19. However, LBI's calculation excluded "type 5" cash, and also excluded the market value of SI's short positions, but the two items do not offset equally. Closing out SI's short positions as of September 19, 2008, per the estate's October 14 protocol, results in the cost to close out shorts being less than the type 5 cash by \$496,911.15 (see SI Exhibit C.) LBI thus owes SI this value difference.

Component 1 totals \$496,911.15

Component 2 – "P&I" post September 19:

From September 19, 2008, through the date of this claim, Stonehill is aware of principal, interest and other payments on securities custodied at LBI that have flowed to LBI, as presented on SI Exhibit D.

Component 2 is comprised of the following currencies:

USD	6,291,314.60
GBP	4,308,677.21
EUR	18,681.13
CAD	177,404.17

Component 3 – Misdirected Wires on Private Investments:

After September 19, 2008, misdirected wires flowed to LBI with respect to non-custodied instruments (private investments.) In addition, certain foreign wires were sent to LBI just before LBI's proceeding, which were never posted to Stonehill's account (it was common for foreign wires to take several days to be posted, and the LBI proceeding interrupted the finalization.) Stonehill is aware of certain of these items which are listed on SI Exhibit E.

Component 3 is comprised of the following currencies:

USD	219,087.36
EUR	51,025.28

Component 4 – Cash Transfer in mid-September:

On September 17, 2008, two days before the SIPA proceeding, SI issued direction to LBI to transfer its securities and cash balance from LBI to an alternate prime broker. LBI demanded that SI post cash collateral in order to effect the transfer, and SI delivered

\$4,500,000, which was transferred by LBI to SI account number 732-41223-1. (SI's account statement as of September 19, 2008 depicts this cash as an investment in a money market fund, however, that Lehman fund on or about that date closed itself to new investment, and the funds remained in cash as depicted on the September 30, 2008 statement.) This cash was excluded from the "true-up" described under Component 1 above, and still resides at LBI. SI Exhibit F provides supporting documentation.

Component 4 totals \$4,500,000.00

Component 5 – Incomplete Transaction re MAC Capital Purchase:

On trade date August 7, 2008 SI agreed to purchase from JP Morgan 4,000,000 MAC Capital LLC Combination SECS Membership (cusip 55291M202) for consideration of \$1,310,000, by physical settlement. LBI debited cash in that amount from SI's account on August 12, 2008. Subsequent to the September 19 date of proceeding, we learned from JP Morgan that the trade had never settled: JP Morgan had not delivered the security to LBI and LBI had not paid the cash to JP Morgan. LBI must return that improperly debited cash to SI. (In late September, SI settled the trade with JP Morgan through a new prime brokerage account at Goldman Sachs, and paid the purchase price again.) Reference SI Exhibit G.

Component 5 totals \$1,310,000

Component 6 – Incomplete Transaction re US Power Generating Company:

On trade date March 27, 2008, Stonehill's two funds executed with LBI as the counterparty a negotiated sale of a private instrument: 15,130 shares of US Power Generating Company at a price of \$28 per share, for total consideration of \$423,640.00. Both SI and related account Stonehill Offshore Partners, Ltd (SO) were the sellers; LBI was the buyer. The trade confirmations executed at the time are attached as Exhibit H (a). It was a private transaction subject to documentation, and had not closed by the September 19, 2008 date of the LBI proceeding.

At the time of the true-up described in Component 1, LBI personnel demanded that SI pay \$118,619.20 to the SIPC trustee in relation to this outstanding trade, which amount was paid on September 21, 2008. Documents prepared by LBI and presented to SI at the time of the true-up are presented as SI Exhibit H (b). LBI misunderstood the nature of this transaction - LBI incorrectly treated this private, negotiated, unclosed trade as if it were a short sale by SI in which SI had failed to deliver the security, demanding collateral in the amount paid. This payment was improper and must be returned to SI. Please note that even though this trade was by both Stonehill funds (Institutional and Offshore, as evidenced by the trade confirmations), the payment demanded at time of true up was only demanded from SI, therefore this portion of this Component 6 claim is only claimed on behalf of SI, not SO.

A second element of the claim arises from LBI's failure to close this negotiated trade. The current market value of US Power Gen stock is \$6 per share (see Exhibit H (c)); LBI's failure to close has cost Stonehill \$22 per share, times 6,400 shares (SI's portion of the trade), equals \$140,800.00.

Component 6 totals \$259,419.20

Component 7 – Incomplete Transaction re Zarlink Semiconductor common:

On August 15 and August 20, 2008, SI purchased shares in Zarlink Semiconductor with purchase prices of CAD 6,044.22 and CAD 19,882.04, for a total of CAD 25,926.26. JP Morgan, the clearing broker on the other side of the trade, was unable to settle prior to September 19, 2008. However, LBI debited SI's cash in these amounts at the time of trade and never returned the funds to SI. Exhibit I provides further detail.

Component 7 totals CAD 25,926.26

Component 8 – Forward Sales of Foreign Currencies:

Stonehill's portfolio included investments denominated in foreign currencies. To hedge such exposure, Stonehill routinely executed under its prime brokerage agreement with LBI forward sales of foreign currencies. Stonehill believes that no other Lehman entity other than LBI was involved in these transactions. SI had numerous foreign currency transactions open as of September 19, which were in a gain position because the dollar had strengthened against the foreign currencies during the term of the contracts. A brokerage statement listing the transactions, and their market values, and Stonehill's summary of that brokerage statement for ease of understanding, is SI Exhibit J.

Component 8 totals \$4,919,145.22

Component 9 – Interest on Accumulated Cash Balances:

If the court determines it appropriate, interest may be payable to SI on the accumulated cash balances which have resided at LBI. Stonehill cannot estimate the amount absent direction regarding the appropriate interest rates and a determination of the dates and amounts of funds received by LBI on SI's behalf.

The amount of this Component 9 claim cannot be quantified without direction from LBI and is therefore estimated.

Component 10 – Other Post Date of Claim and Unknown Activity:

Other amounts may have flowed into LBI with respect to SI's custodied securities of which we are not currently aware, and it is certain that amounts will continue to flow to LBI on securities which continue to be carried at LBI after the date of this claim. SI includes these presently unquantifiable amounts in its claim. As part of this claim, SI requests that LBI provide an accounting from September 19, 2008 forward of any cash items received or due with respect to custodied securities or other customer property of SI.

With regard to private investments, SI has no comprehensive way of determining what payments have flowed into LBI referencing Stonehill's account number or name. Considering Stonehill's distressed investing strategy, Stonehill's portfolio includes many private instruments which have irregular and unpredictable distribution dates, often without notice to us other than information conveyed by the wire transfer itself. As part of this claim, SI requests that LBI provide an accounting from September 19, 2008 forward of any cash items referencing any of the Stonehill accounts, and any Stonehill entity name, and SI includes all such presently unquantifiable amounts in its claim.

The amount of this Component 10 claim cannot be quantified and is therefore estimated.

End of Document

Fund	LEHMAN A/C #	Internal ID	LEHMAN	CUSIP/CINS	ISIN	SEDOL	Description	Expected Quantity	Notes	
Institutional	732-40126	BTDPF	0081180	GB082481180	0081180	BARRATT DEVELOPMENTS PLC		2,369,065		
Institutional	732-40126	55665251	US125365AB14	125365AB1	US125365AB14	B0W/M286	CIT GROUP FUNDING CO CDA SR INT RMD 4.65 07/07/2010	450,000		
Institutional	732-40126	CORE	US125365AB14	125365AB1	US125365AB14	B0631B2	CORE MARK HOLDING CO INC	9,357,000		
Institutional	732-40126	5197153	247361VKK1	247361VKK1	247361VKK1	DELTAAIRLINESINCDEL144A RMD 0.33 07/26/2006		1,601,000		
Institutional	732-40126	5204979	247361VKA7	247361VKA7	247361VKA7	US247361VKA7	DELTAAIRLINESINCDEL90144A10.33%406 RMD 10.33 03/26/2006	1,801,000		
Institutional	732-40126	5648314	247361VX3	247361VX3	247361VX3	US247361VX3	DELTAAIRLINESINCDEL90144A10.39%414 RMD 10.79 03/26/2014	5,000,000		
Institutional	732-40126	DAL	247361V72	247361V72	247361V72	B1W9D46	DELTAAIRLINESINCDELCON NEW	262,800		
Institutional	732-40126	5649514	247361VL9	247361VL9	247361VL9	US247361VL9	DELTAAIRLINESINCDEL EQUIP TR CTE SER 1990 RMD 10.33 03/27/2049	801,000		
Institutional	732-40126	5229485	247367AES	247367AES	247367AES	US247367AES	DELTAAIRLINESINC PASS THRU CTE SER 1991-A CL A RMD 9.875 04/20/2008	13,000,000		
Institutional	732-40126	5446559	U29020AGB	U29020AGB	U29020AGB	US29020AGB	ENRON CORP RMD .678 06/15/049	200,000		
Institutional	732-40126	F006221	301990719	301990719	301990719	US301990719	FCI LOANS ASSET (REST) DTC CUSIP	109,941		
Institutional	732-40126	FRCCF	B104Q220	B104Q220	B104Q220	FRONTIERA COPPER CORPORATION		109,941		
Institutional	732-40126	58BGF19	CA370472BM01	370472BM01	CA370472BM01	B1C27NW3	GENERAL MOTORS ACCEPTANCE CORP OF CANADA LTD RMD 4.71 143 05/22/2009	91,305		
Institutional	732-40126	HOV	442487203	442487203	442487203	US442487203	2437167	HOVANIAN ENTERPRISES INC-CL A	14,590,800	
Institutional	732-40126	5082370	U48787AA0	U48787AA0	U48787AA0	US48787AA0	KELLOGG INDUSTRIES INC CONV SUB NOTES RMD 5.75 1/01 5/2049	472,500		
Institutional	732-40126	LEHQJ	52520W117	52520W117	52520W117	B2P7YC3	LEHMAN BROS HLDGS INC DEP SH REPSTG 1/10/07 7.95% PERP FFS SER J	500,000		
Institutional	732-40126	5B8BNND6	552654AAN1	552654AAN1	552654AAN1	B52180	MAC CAPITAL LTD SER 2007-1 CL B-2L 144/43/C3 RMD .045 07/26/2023	4,950,000		
Institutional	732-40126	5B8BZC1	575379AE2	575379AE2	575379AE2	B12467N8	MASONITE CORP SR INT RMD 6.00 04/06/2015	7,830,000		
Institutional	732-40126	5986439	H59118AB7	H59118AB7	H59118AB7	CH10001168647	OMNI HOLDINGS AG RMD 6.00 12/17/2049	1,517,420		
Institutional	732-40126	5227307	X50108329771	X50108329771	X50108329771	PSINET INC EURO SERIES RMD 10.5 12/01/2006	10,724,000			
Institutional	732-40126	5253609	69363VADY	69363VADY	69363VADY	X50101919940	PSINET INC SR NOTES EURO SER RMD 11.00 08/01/2009	9,329,000		
Institutional	732-40126	PDCEF	B0391F5	Y71144Y134	Y71144Y134	ID1000099401	B0391F5 PT SIERRA PRODUCE TRK SHS NOTES A	36,357,571		
Institutional	732-40126	5229829	7RHDGF	U76113BAF6	U76113BAF6	BUNKNH4	RESIDENTIAL CAP CORP N17.375%ON 08/15/2007 RMD 8.375 06/30/2010	2,317,000		
Institutional	732-40126	5263095	X50108136465	749712EAF3	749712EAF3	2567879	REIT HOLDINGS NV	386,878		
Institutional	732-40126	5332712	X501103391936	X501103391936	X501103391936	RSI COMMUNICATION LTD RMD 12.875 03/01/2049	2,000,000			
Institutional	732-40126	5449494	CH10001207635	CH10001207635	CH10001207635	SAIRGROUP FINANCE RMD 6.625 10/06/2010	31,745,000			
Institutional	732-40126	5CLP	816622W108	US816622W108	US816622W108	B1YWT10	SENGROUP ENERGY PARTNERS LP COM UNIT REPSITG LTD PARTNERSHPT	1,765,000		
Institutional	732-40126	5653597	X509359700	X509359700	X509359700	SOUTHEAST BANKING CORP STAMPED CERTIFICATE RMD 5.25 11/12/1997				
Institutional	732-40126	5596001	841338AF3	841338AF3	841338AF3	US841338AF3	SOUTHEAST BANKING CORP SRN CPN LIBOR +12.5 RMD 5.25 11/12/1997	1,260,000		
Institutional	732-40126	5551644	841338AD8	841338AD8	841338AD8	US841338AD8	TELEGLOBE CANADA INC TEMP 8% 10/04/2001	1,088,000		
Institutional	732-40126	1104832	CA879417972	CA879417972	CA879417972	CA879417972	TELEGLOBE CANADA INC TEMP 8% 10/23/2026	4,132,000		
Institutional	732-40126	9N44093	2X9N440931000	2X9N440931000	2X9N440931000	TELEGLOBE INC UNSECURED DEBTURENT IN DEFAULT RMD 8.35 06/20/2003	12,000,000			
Institutional	732-40126	LCC	90341W108	US90341W108	US90341W108	TELEGLOBE INC UNSECURED DEBTURENT IN DEFAULT RMD 8.35 06/20/2003	2,000,000			
Institutional	732-40126	5262134	98141AAD3	98141AAD3	98141AAD3	TELEGLOBE INC UNSECURED DEBTURENT IN DEFAULT RMD 8.35 06/20/2003	809,010			
Institutional	732-40126	5337735	92923CAP9	92923CAP9	92923CAP9	WOCNOL1	WCI CMTNYS INC SR SUB NT RMD 6.625 03/15/2015	58,995,000		
Institutional	732-40126	5469304	929223AG9	929223AG9	929223AG9	WOCNOL1	WCI COMMUNITIES INC GTD SENIOR SUB NOTE 9.12500% 5/1/2012 9/29/2012 CAGP	11,220,000		
Institutional	732-40126	WAMPQ	939122814	939122814	939122814	B13925Y8	WASHINGTON MUTUAL INC 7.75% SERIES R NON CUMULATIVE PERPETUAL CONV	14,355,000		
Institutional	732-40126	2A97102	CA89811391000	CA89811391000	CA89811391000	2597102	ZARLINK SEMICONDUCTOR INC	6,480,000		
Institutional	732-40126	U36240AF3	U36240AF3	U36240AF3	U36240AF3	U36240AF3	ZARLINK SEMICONDUCTOR INC	2,132,540		
Institutional	732-40126	5B2D0VY1	92923CAP9	92923CAP9	92923CAP9	GMAC LLC 1.5% 12/9/2013 PVT REGS	829,000			
Institutional	732-40126	M017061	US55291M2026	US55291M2026	US55291M2026	ZIFF DAVIS MEDIA INC SR SECD NT FLITG RATE NEW	945,000			
Institutional	732-40126	5446109	U29302AH6	U29302AH6	U29302AH6	MAC CAPITAL LLC COMBINATION SECES MEMBERSHIP INT	46,954,000			
Institutional	732-40126	5142821	74437CAB7	74437CAB7	74437CAB7	PSINET INC SENIOR NOTES SER B- IN DEFAULT 10.00000% 02/15/2005 74437CAB7	9,656,000			
Institutional	732-40126	5273979	74437CAG6	74437CAG6	74437CAG6	PSINET INC SR NOTE- IN DEFAULT 10.50000% 12/01/2006 74437CAG6	66,962,000			
Institutional	732-40126	52109090	74437CAD3	74437CAD3	74437CAD3	PSINET INC SR NTS IN DEFAULT 1.50000% 1/01/2008 74437CAD3	139,215,000			
Institutional	732-40126	5293156	69363VAB3	69363VAB3	69363VAB3	PSINET INC INCORPORATED SR NTE- IN DEFAULT 1.10000% 08/01/2009 69363VAB3	120,505,000			
Institutional	732-40126					PSINET INC SENIOR NOTES SER B- IN DEFAULT 10.00000% 02/15/2005 74437CAB7	163,598,000			

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<u>TOTAL COLLATERAL</u>	
TOTAL LMV TYPE 1 LONG POSITIONS (US\$)	247,628,399.86
TOTAL LMV TYPE 1 LONG POSITIONS (C\$ value converted to US\$)	12,665,241.29
TOTAL LMV TYPE 1 LONG POSITIONS (BP value converted to US\$)	1,391,562.39
TOTAL LMV TYPE 1 LONG POSITIONS (EM value converted to US\$)	2,882,116.28
TOTAL LMV TYPE 1 LONG POSITIONS (JY value converted to US\$)	0.00
 TOTAL LMV TYPE 2 LONG POSITIONS (US\$)	 35,882,711.62
TOTAL LMV TYPE 2 LONG POSITIONS (C\$ value converted to US\$)	366,954.14
TOTAL LMV TYPE 2 LONG POSITIONS (BP value converted to US\$)	0.00
TOTAL LMV TYPE 2 LONG POSITIONS (EM value converted to US\$)	0.00
TOTAL LMV TYPE 2 LONG POSITIONS (JY value converted to US\$)	0.00
 <u>TOTAL USD DELIVERABLE COLLATERAL</u>	 283,511,111.48
 <u>TOTAL USD CASH COLLATERAL</u>	 44,841.22
 <u>TOTAL EXPOSURES</u>	 1,871,130.80
TYPE 2 DEBIT BALANCE (USD)	723,727.32
TYPE 2 DEBIT BALANCE (C\$ converted to US\$)	9,025.47
TYPE 2 DEBIT BALANCE (BP converted to US\$)	
 <u>TOTAL EXPOSURE</u>	 2,603,883.59
 <u>TOTAL COLLATERAL NEEDED TO COVER EXPOSURE</u>	 1,954,955.01
 TOTAL VALUE OF COLLATERAL AVAILABLE FOR DELIVERY	 298,862,030.57
 TOTAL CASH AVAILABLE FOR PAYMENT	 0.00

^{**}Note: Proceeds generated from the close out of shorts will result in a cash in lieu claim

SI Exhibit B
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EMRS56		CLIENT 012		RR: H&L STONEHILL INSTITUTION		MARGIN ACTIVITY STATEMENTS		09/19/08		PAGE 93785	
						CURR-CODE: 000					
TC		OPEN T/D BAL		CLOSE T/D BAL		OPEN S/D BAL		CLOSE S/D BAL		MARKET VALUE	DLA
11	29	32,325,32-		44,161,22-		31,325,32-		44,161,22-		247,628,599	09/19/08
		510,177,27-		1,871,30,80		1,820,428,08		4,009,736,15		35,862,711	09/19/08
52	37	59,577,462,00		662,00		59,577,462,00		662,00		00	09/19/08
T	52	59,577,263,33-		61,766,571,40-		59,577,263,33-		61,766,571,40-		61,248,498-	09/19/08
		59,926,303,92-		59,939,819,82-		57,787,698,57-		57,801,214,47-		222,262,611	
TC	S/DBE	LONG/SHORT(-)	DESCRIPTION		CUSTIP/SEC	INT	PRICE/ENT	T/D	TRD #	DEBIT/CREDIT(-)	
11	09/19		***AIR GROUP FINANCE B V							1,637,953.46	
			REU ENTRY OF 5-30 DUE TO INCORRECT FX								
			DU 06/08/2006 4,375								
			REC 5/16/08 PAY 5/28/08								
			ON 19357000 BDS								
			MARK TO MARKET								
29	09/19		MARK TO MARKET SHORT POS								
52	09/19		TC LDA								
			LONG/SHORT(-)		SECURITY DESCRIPTION		CUSTIP/SEC	PRICE	MARKET VALUE	MARGIN REQUIREMENT	
11	091908		1.0000		ACAT DELIVERY IN PROGRESS	XXA0009280	0.00000			0	
					DO NOT TRANSFER SECURITIES	A000028					
11	091708		563,825,0000		ACACIA RESEARCH - ACACIA TECHNOLOGIES	0038613070	4,38000				
					ABOVENET INC	A013707	SB	563,825.0000	2,469,553	1,691,475	
11	122107		372,301,0000			00374N1070	54,03000H				
					AMERICAN RICE INC	A014448	SB	372,301.0000	20,115,423	20,115,423	
11	031808		61,288,0000		ESCROW CUSTIP	0293209910	0.00000H				
					WTS ABOVENET INC	A015124	SB			0	
11	031808		40,000,0000			00374N1230	31.00000H	61,288.0000			
					ADELPHIA RECOVERY TRUST SERIES	A017485	SB	40,000,0000	1,240,000	372,000	
11	031808		5,301,739,0000		ARAHQA INT	006605R1020	0.40000H				
					ARUTDA/JNB PARTNERS LP	0420354	SB	5,301,739.0000	2,120,695	2,120,695	
11	092207		2,275,0000		COMFORCE CORP	0432871010	0.00000				
					MURBARRATT DEVELOPMENTS PLC	A753090		2,275.0000	0	0	
11	091708		2,569,067,0000			0082881050					
						B137756	SB	2,569,067.0000	6,980,155	6,980,155	
11	092507		260,300,0000			20038K1090	1.99000				
						C000344	SB	260,300.0000	517,997	517,997	
11	091208		4,837,0000		COMDISCO HOLDING COMPANY INC	200341000	9,80000H				
						C142108	SB	4,837,0000	47,402	47,402	
11	031808		9,810,0000		CATTLESALE COMPANY	C012394	0.00000H				
						9,810,0000				0	

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CLIENT 012		RR: H81 STONEHILL INSTITUTION		MARGIN ACTIVITY STATEMENTS		09/19/08	PAGE 93786
TC	LDA	LONG/SHORT(-)	SECURITY DESCRIPTION	CURR-CODE: 000	CUSIP/SEC	PRICE	MARKET VALUE
11	043008	107,382.0000	MAXCAPEX SA-QRD	AP 1 PAR	P2006N1020	1.47232H	158,165
11	031808	58.0000	DECISIONONE CORP NEW		COA0316	0.00000H	158,165
11	111607	109,941.0000	FICLT LOANS ASSET (REST)		2434571080	1.07,342.0000	0
11	031808	93,305.0000	DTC CUSIP		D004752	0.00000H	0
11	111607	109,941.0000	MAXFRONTERA COPPER CORPORATION		3019807190	58.0000	0
11	092707	27,548.0000	MAXGUANGDONG ALLIANCE		F006921	0.00000H	0
11	092707	10,468.0000	MAXGH WATER SUPPLY HL		3590431060	1.09,941.0000	0
11	092707	318,047.0000	SIS		F104640	1.53675	0
11	111607	7,054.0000	HED-50 PAR		33762E1080	93,305.0000	143,386
11	091608	426,231.0000	WTS ICC COMMUNICATIONS INC		F392773	0.00000H	0
11	091608	1,866,236.0000	HOUNANTAN ENTERPRISES INC-CL A		G418151040	0.00000H	0
11	121307	76.0000	KGEN PWR CORP		G38541010	27,548.0000	0
11	091608	52,218.0000	LEHMAN BROS HLDGS INC		G005020	0.00000H	0
11	081308	13,656,000.0000	DEP SH REPSIG 1/100TH		Y29891L1000	10,468.0000	0
11	060608	314,578.0000	MAXMAC CAPITAL LLC		G609050	0.29500H	93,823
11	112107	57,444.0000	COMBINATION SEC'S MEMBERSHIP		G4492461150	318,047.0000	0
11	031808	20,069.0000	NEENAH ENTERPRISES INC		H011304	0.00000H	0
11	092507	36,557,577.0000	PATENT LITIGATION TR		K394718	7,054.0000	0
11			BENEFICIAL TRUST INTERESTS		A42487230	9.05000	0
11			MAXPT SIEPAD PRODUCE BK		K49273X1030	3,857,209	1,928,604
11			SHS SERIES A		K003938	0.00000H	0
11					K49282H3080	1,866,236.0000	0
11					K004397	30,51000H	0
11					K5220W3170	76.0000	2,318
11					L008500	0.11000H	5,743
11					F52291M2020	52,218.0000	5,743
11					M017062	0.00000H	0
11					G6007P1030	1.55000H	0
11					M009197	314,578.0000	487,595
11					64007P1110	0.00000	0
11					M009546	57,444.0000	0
11					7030441070	0.00050H	0
11					P011578	20,069.0000	10
11					P017046	0.00532H	194,486
11						36,557,577.0000	194,486

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MARGIN ACTIVITY STATEMENTS				09/19/08	PAGE
	CLIENT	RR:	CURR-CODE: 000	PRICE	93787
732-40126	012	H&I STONEHILL INSTITUTIO	CUSIP/SEC	MARKET VALUE	
TC	LDA	LONG/SHORT(-)	W741081060	3,095,024	MARGIN REQUIREMENT
11	091508	386,878.0000	W741081060	3,095,024	3,095,024
11	092507	5,999,544.0000	SUNSHINE MNG & REFG COMPAN	8.00000H	
		PAR 20.01	8678335000	386,878.0000	
11	082908	77,800.0000	SEMIGROUP ENERGY PARTNERS L P	0.00000H	
		COM UNIT REPSIG LTD PARTNERSHIP	S011728	5,995,544.0000	0
11	031808	99,500.0000	3DFX INTERACTIVE INC	816624080	8,39000
			S019821	652,742	195,822
11	091708	10,800.0000	TRANSOCEAN INC	68553X1030	0.01700H
		NEW	T001118	77,800.0000	1,691
11	031808	200,000.0000	THUNDERBIRD RESORTS INC	T010389	10,800.0000
		COM 144A	686605P080	1,354,320	406,296
11	031808	12,000,000.0000	WATELLOGLOBE CANADA INC	T010488	0.00000H
		TEMP 8/ 10/23/2026	T010482	200,000.0000	0
11	090908	37,204.0000	THUNDERBIRD RESORTS INC	6885761060	125,40000H
		NEW	T106117	5,50000H	
11	091108	108,000.0000	US AIRWAYS GROUP INC	90341W1080	7.91000
			U003620	37,204.0000	204,622
11	051508	164.0000	WAVIATEL HOLDING BERMUDA	6934471110	0.00000H
		LIMITED NEW	V004215	854,280	204,622
11	031808	134,303.0000	WTS WEBLINK WIRELESS	94769A1190	1.00000H
			W003885	164.0000	256,284
11	091008	6,480.0000	WASHINGTON MUTUAL INC	9393228140	164
		7.75Z SERIES R NON CUMULATIVE	3335.00000	164	164
11	091708	356,875.0000	ZARLINK SEMICONDUCTOR INC	W005336	1,170,800
			98911591000	6,480.0000	651,240
11	092507	120,000.0000	FULTON CNTY GA DEV AUTH SPL	Y001713	0.49000
		FAC'S REV DELTA AIRLINES INC	336099ACJ00	356,875.0000	174,868
11	092507	500,000.0000	DUE 05/01/2013 5.50%	3BBWTX8	0.00000
		NEW YORK N Y CITY INBL DEV AGY	64999BBLJ00	120,000.0000	0
11	031808	1,295,000.0000	SPL FAC REV NORTHWEST AIRLINES	3BBZCT2	500,000.0000
		DUE 06/01/2027 6.00%		0	0
11	092507	1,000,000.0000	DAUPHIN CNTY PA GEN AUTH REV	2382592650	0.00000H
		OFFICE & PKG-FORUM PL-SER A	3450402	1,295,000.0000	0
11	092507	1,000,000.0000	MEMPHIS TN HLTH EDL&HSG FAC	586169AN40	0.00000H
		BRO MFHR SECTED-A-INT'L ASMT	3502020	1,000,000.0000	0
		DUE 12/15/2049			

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		MARGIN ACTIVITY STATEMENTS			09/19/08		PAGE 93788	
		SECURITY DESCRIPTION	CURR-CODE: 000	CUSIP/SEC	PRICE	MARKET VALUE	MARGIN REQUIREMENT	
732-40126	CLIENT 012	RR: H81 STONEHILL INSTITUTIO						0
TC LDA	11 031808	LONG/SHORT(-) 9,294.0000 MOBILE ALA IND DEV BIRD SOLID		607168AY70	0.000000H	\$,234.0000		
		WEITE DISP RV REF-MOBILE ENERGY		3688870				
	11 080108	250,000.0000 DUE 01/01/2020 6.950%: XENFICE BANK PLC						
		EURO MEDIUM TERM NOTE		C33365SS00	107.62042H	269,051		
	11 041008	4,500,000.0000 DUE 01/15/2013 7.125%: CIT GROUP INC		5BBDQYS	SB 250,000.0000			121,072
		MEDIUM TERM SR. NTS		12560PEA50	99.31400H	4,469,130		
	11 031808	450,000.0000 DUE 10/27/2008 2.905%: STANFIELD VICTORIA FIN LTD MTN		85531AFH50	SB 4,500,000.0000			1,340,739
		VR 032406-032509		5BBFSB4	0.000000H			
	11 092507	25,937,000.0000 DUE 03/25/2009 CROWN PAPER CO		2280499A40	0.000000			
		SR SUB NOTES - ESCROW CUSIP-		5BBSKJQ7	SB 25,937,000.0000	0		0
	11 060608	540,000.0000 DUE 09/01/2005 11.000%: NEENAH CORP		640071AR70	76.62500			
		SR SECO NT		5BBKUC2	SB 540,000.0000	413,775		
	11 071008	4,050,000.0000 DUE 01/01/2017 9.500%: GMACH HOME EQUITY LOAN TRUST		36186KAD70	37.97255H			
		HTGPC SERIES 2007-HE1 A-4-VAR		5BBKVNB8	SB 4,050,000.0000	1,537,888		1,537,888
	11 122007	4,950,000.0000 DUE 08/25/2037 5.952%: MAC CAPITAL LTD		55265AAN10	0.000000			
		SER 2007-1 CL B-2L 144A/3C7		5BBNNND6	SB 4,950,000.0000	0		
	11 080108	4,050,000.0000 DUE 07/26/2023 7.055%: GMACH HOME EQUITY LN TR		36186LAG80	46.66422H			
		SERIES 2007-HE2 CLASS A6		5BBQTY6	SB 4,050,000.0000	1,889,900		1,889,900
	11 090808	4,429,080.0000 DUE 12/25/2037 6.29%: GMACH HOME EQUITY LN TR		36186LAB90	48.03500H			
		SERIES 2007-HE2 CLASS A2		5BBQTZ6	SB 4,429,080.0000	2,162,941		2,162,941
	11 073008	21,330,000.0000 DUE 12/25/2037 6.04%: GMACH HOME EQUITY LN TR		36186LAD50	32.07718H			
		SERIES 2007-HE2 CLASS A4		5BBQTZ9	SB 21,330,000.0000	6,842,062		6,842,062
	11 080108	18,090,000.0000 DUE 12/25/2037 6.42%: GMACH HOME EQUITY LN TR		36186LAC70	48.54300H			
		SERIES 2007-HE2 CLASS A3		5BBQUB1	SB 18,090,000.0000	8,781,428		8,781,428
	11 091708	7,830,000.0000 DUE 12/25/2037 6.193%: NASONITE CORP		575379AE20	23.00000H			
		SR SUB NT		5BBRZCL	SB 7,830,000.0000	1,800,900		1,800,900
	11 060908	1,188,000.0000 DUE 04/06/2015 11.00%: STANDARD PACIFIC CORP		853763AA80	93.37500			
		CVT SENIOR SUB NOTES		5BCCLN9	SB 1,188,000.0000	1,109,295		
		DUE 10/01/2012 6.00%:				332,788		

CLIENT 012		RR: H&I STONEHILL INSTITUTO		MARGIN ACTIVITY STATEMENTS		09/19/08		PAGE 93789	
BRK56	TC LDA	LONG/SHORT[-]	SECURITY DESCRIPTION	CUSIP/SEC	PRICE	MARKET VALUE	MARGIN REQUIREMENT		
11 090308	20,233,000.0000	PHH MORTGAGE TRUST SER 2C07-SL1 CLASS TAGS 144A DUE 12/26/2027 6.600% EURO MEDIUM TERM NOTE DUE 03/28/2008	69337YAE40 SBCLLC0 G8439CAN00 SBCSLJ0	80.3750H SB 0.0000H SB	13,277,711 20,233,000.0000 0 850,000.0000	13,277,711 AMORTIZED AMOUNT 16515,702.66 0	13,277,711 16515,702.66 0		
11 031808	850,000.0000	WESTSTANFIELD VICTORIA RESIDENTIAL CAP LLC SR SEC'D NT	76114AE200 5BDGMP4	62.0000H SB	16,414,500 26,475,000.0000	16,414,500	16,414,500		
11 061608	5,400,000.0000	STANFIELD VICTORIA FIN LTD MEDIUM TERM NTS144A 3C7 DUE 01/25/2008	85431AJH00 5BDHSQ5	0.0000H SB	0 5,400,000.0000	0	0		
11 082808	8,255,000.0000	CAPHARK FINL GROUP INC SR NT FLT 10	140661AD10 5BDKMR1	76.9330H SB	6,350,819 8,255,000.0000	6,350,819	1,905,245		
11 081108	2,150,000.0000	ZEFF DAVIS MEDIA INC SR SEC'D NT FLTG RATE NEW DUE 05/01/2012	98951UAJ50 5BDNUY1	0.0000H SB	0 2,150,000.0000	0	0		
11 071808	8,515,000.0000	ZEFF DAVIS MEDIA INC SR SEC'D NT - ESCROW CUSIP - DUE 05/01/2012	98951SC910 5BDNUY26	0.0000H SB	0 8,515,000.0000	0	0		
11 081208	167,000.0000	MONTANA POWER CO - TENDER OFFER - DUE 12/21/2026	612MMI8A90 5BDQMPJ0	0.0000H SB	0 167,000.0000	0	0		
11 080808	278,000.0000	MONTANA POWER CO - CONTRA CUSIP - DUE 12/23/2026	612MMI9C40 5BDQNT2	0.0000H SB	0 278,000.0000	0	0		
11 082008	162,000.0000	MONTANA POWER CO - TENDER OFFER - DUE 12/20/2006 7.960% CB NORTHWESTERN CORP -CONTRA CUSIP-	612MMI9B60 5BDQPD8	0.0000H SB	0 162,000.0000	0	0		
11 081108	8,807,000.0000	NORTHWESTERN CORPORATION SENIOR DEBTURE DUE 11/15/2028 6.950% NORTHWESTERN CORP -CONTRA CUSIP-	66899ABC60 5BDQLG4	0.0000H SB	0 11,654,000.0000	0	0		
11 082008	11,654,000.0000	NORTHWESTERN CORPORATION SENIOR DEBTURE DUE 03/15/2007 7.875% NORTHWESTERN CORPORATION -CONTRA CUSIP - DUE 03/15/2012 8.750% VICTORIA FIN LTD 144A VR 09/09/08-12/2008 DUE 12/12/2008	66899ABH40 5BDXBS2 9262G0AL30 5BFBPV0	0.0000H SB 0.0000H SB	0 5,937,000.0000 0 4,050,000.0000 0	0 0 0	0		

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		MARGIN ACTIVITY STATEMENTS			09/19/08			PAGE 93790		
		CLIENT	RR:	INSTITUTO	CURR-CODE:	PRICE	MARKET VALUE	MARGIN REQUIREMENT		
		752-40126	RR: LDA	LONG/SHORT(-)	CUSIP/SEC	0.00000	0.00000	0		
11	091208	900,000.0000	VICTORIA FIN LTD	144A VR	9262G0AF0	0.00000	0.00000	0		
11	031808	3,956,000.0000	GREEN TREE FINL CORP	393505UY60	0.00000H	3,956,000.0000	0	0		
11	031808	680,000.0000	SER 1997-4 MFD HSG SR/SUB	5C48250	SB	3,956,000.0000	0	0		
11	060308	7,000,000.0000	GREENTREE FINANCIAL CORPORATION HTGPC/SEC	393505Y000	0.00000H	0	0	0		
11	090908	4,725,000.0000	DUE 10/15/2029 7.750%	5C5B202	SB	680,000.0000	0	0		
11	082508	10,503,000.0000	NPV VI INC 1998-2 HEALTH CARE REBLES NT	62936EAF50	0.00000H	0	0	0		
11	063008	8,025,000.0000	DUE 05/01/2004 6.100%	5C5B570	SB	7,000,000.0000	0	0		
11	052708	3,510,000.0000	GRACM HOME EQUITY LOAN TRUST HTGPC/SEC SERIES 2004-HE1 A-3-VAR	369356CN70	52.98800H	2,231,508	0	0		
11	073008	2,025,000.0000	DUE 06/25/2034 2.681%	5F23941	SB	4,725,000.0000	0	0		
11	090808	4,780,000.0000	RESIDENTIAL FDG MTG SEC II SERIES 2005-HS2 CLASS A-I-1	76110VSQ20	99.65760H	1,671,287	0	0		
11	060908	10,800,000.0000	DUE 09/25/2020 2.571%	5F99267	SB	10,503,000.0000	0	0		
11	073008	2,025,750.0000	RESIDENTIAL FDG MTG SEC II IN SERIES 2006-HSA1 CLASS A-2	5106641	SB	70,04400H	0	0		
11	090808	4,780,000.0000	DUE 11/25/2020 5.190%	5106641	SB	3,510,000.0000	0	0		
11	060908	10,800,000.0000	CHHEQ HOME EQUITY LOAN TRUST HTGPC/SEC SERIES 2006-S2 A-2-VAR	126685DM30	76.56092H	1,983,663	0	0		
11	073008	2,025,000.0000	DUE 07/25/2027 5.627%	5119024	SB	2,525,000.0000	0	0		
11	090808	8,025,750.0000	CHHEQ HOME EQUITY LOAN TRUST HTGPC/SEC SERIES 2006-S2 A-3-VAR	126685DX10	41.12617H	4,441,626	0	0		
11	060908	10,800,000.0000	DUE 07/25/2027 5.801%	5119025	SB	10,800,000.0000	0	0		
11	073008	2,025,000.0000	GRACM HOME EQUITY LN TR SERIES 2006-HE3 CLASS A2	38012TAB80	57.55283H	1,683,129	0	0		
11	090808	4,780,000.0000	DUE 10/25/2036 5.760%	51339489	SB	8,025,750.0000	0	0		
11	060908	10,800,000.0000	GRACM HOME EQUITY LOAN TRUST HTGPC/SEC SERIES 2006-HE3 A-4-VAR	38012TAD40	83.11753H	1,683,129	0	0		
11	073008	2,025,000.0000	DUE 10/25/2036 6.080%	5141557	SB	2,025,000.0000	0	0		
11	090808	4,780,000.0000	COUNTRYWIDE ASSET BK CERT SERIES 2006-2N CLASS A3	126684AC30	87.26355H	4,171,197	0	0		
11	060908	10,800,000.0000	DUE 03/25/2034 5.688%	5143662	SB	4,780,000.0000	0	0		
11	073008	2,025,000.0000	PHP HEALTHCARE CORPORATION SUB DEB C0N 144A	693344AA10	0.00000H	0	0	0		
11	090808	4,780,000.0000	DUE 12/15/2002 6.500%	5002297	SB	1,000,000.0000	0	0		
11	060908	10,800,000.0000	PHP HEALTHCARE CORPORATION SUB DEB CV	693344AC70	0.00000H	0	0	0		
11	073008	2,025,000.0000	DUE 12/15/2002 6.500%	5002347	SB	1,500,000.0000	0	0		

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BMR56		CLIENT 012	RR: HAL STONEHILL	INSTITUTION	MARGIN ACTIVITY STATEMENTS			09/19/08	PAGE 93791
TC	LOA	LONG/SHORT(-)	SECURITY DESCRIPTION	CURR-CODE: 000	CUSIP/SEC	PRICE	MARKET VALUE	MARGIN REQUIREMENT	
11	031808	1,000.0000	WESTED HOLDINGS INC M&T SER	9600804B50	0.00000	1,000.0000	0	0	
11	092507	10,000.0000	DEB SPLT CPN	5002385	\$B	0.00000	1,000.0000	0	
11	082208	1,050,000.0000	DUE 09/15/1999 15.500%	671536AH20	0.00000H	0	0	0	
11	031808	1,500,000.0000	MAXPOLLY PECK INTERNATIONAL	5018341	\$B	10,000.0000	0	0	
11	092507	1,050,000.0000	DUE 01/03/1997 8.750%	2003368R90	0.00000H	0	0	0	
11	031808	1,500,000.0000	NOTE - ESCROW -	5030910	\$B	1,050,000.0000	0	0	
11	092507	1,050,000.0000	DUE 01/15/2003 6.125%	462213AJ80	0.00000H	0	0	0	
11	031808	1,500,000.0000	SR NOTE	5033225	\$B	1,500,000.0000	0	0	
11	031808	22,523,800.0000	ESC KITTY HAWK INC	4983269C30	0.00000H	0	0	0	
11	031808	241,000.0000	SR SEC'D NTS	5037926	\$B	22,523,800.0000	0	0	
11	031808	241,000.0000	DUE 11/15/2004 9.950%	978093AE20	92.00000	241,000.0000	221,720	221,720	
11	092507	16,459,000.0000	WOLVERINE TUBE INC	5042652	\$B	92.00000	221,720	221,720	
11	031808	9,460,000.0000	SENIOR NOTE SER 8	5042652	\$B	241,000.0000	221,720	221,720	
11	092507	16,459,000.0000	SENIOR DISC NOTES	5051503	\$B	1,500,000.0000	0	0	
11	031808	1,500,000.0000	DUE 04/01/2009 10.500%	155561AA30	0.00000	0	0	0	
11	092507	16,459,000.0000	CENTRAL TRACTOR FARM & COUNTRY INC SR NOTE	5066016	\$B	9,460,000.0000	0	0	
11	031808	1,500,000.0000	DUE 04/01/2007 10.625%	462213AK50	0.00000H	0	0	0	
11	092507	16,459,000.0000	IONIC PLC	5054115	\$B	16,459,000.0000	0	0	
11	031808	1,350,000.0000	SENIOR DISC NOTES	5051503	\$B	1,500,000.0000	0	0	
11	092507	16,459,000.0000	MAXWELL COMMUNICATIONS	659024AF90	0.00000H	0	0	0	
11	031808	1,350,000.0000	EURO DEBS	5054115	\$B	9,460,000.0000	0	0	
11	092507	16,459,000.0000	DUE 06/15/1993	493137AD50	0.00000H	0	0	0	
11	031808	1,350,000.0000	KEY PLASTICS INC	5065089	\$B	1,350,000.0000	0	0	
11	111907	18,255,000.0000	SR SUB NOTE SER B	5070867	\$B	18,255,000.0000	5,932,875	1,825,500	
11	111907	18,255,000.0000	DUE 03/15/2007 10.250%	292689AC00	32.50000H	0	0	0	
11	111907	18,255,000.0000	ENERGY GROUP OVERSEAS BV	5070867	\$B	18,255,000.0000	5,932,875	1,825,500	
11	111907	21,450,000.0000	GTO NOTES 7.375% 10/9/98	5070867	\$B	18,255,000.0000	5,932,875	1,825,500	
11	111907	21,450,000.0000	DUE 10/15/2017 7.425%	292689AD80	32.50000H	0	0	0	
11	031808	30,550,000.0000	ENERGY GROUP OVERSEAS BV	5071495	\$B	6,971,250	0	0	
11	092507	30,550,000.0000	DUE 10/15/2027 7.550%	21,450,000.0000	0	0	0	0	
11	031808	500,000.0000	NRG ENERGY INC	629377AD40	0.00000	0	0	0	
11	092507	500,000.0000	SR NOTE	5072991	\$B	30,550,000.0000	0	0	
11	031808	500,000.0000	DUE 06/15/2007 7.500%	U48787AA00	0.00000H	0	0	0	
11	092507	500,000.0000	MARKELL STRON INDUSTRIES INC	5082870	\$B	500,000.0000	0	0	
11	031808	500,000.0000	DUE 10/15/2002 5.750%	5082870	\$B	500,000.0000	0	0	

BMR56		CLIENT 012	RR: H01 STONEHILL INSTITUTIO	MARGIN ACTIVITY STATEMENTS	09/19/08	PRICE	MARKET VALUE	PAGE 93792
TC	LDA	LONG/SHORT(-)	SECURITY DESCRIPTION	CURR-CODE: 000	CUSTP/SEC	PRICE	MARKET VALUE	MARGIN REQUIREMENT
11	031808	1,250,000.0000	DELTA AIR LINES INC DEL EQUIPMENT TRUST CFF SER 1990 B 50361586	247361W090	82.50000H	1,250,000.0000	1,031,258	464,062
11	012908	1,260,000.0000	BB&S SOUTHEAST BANKING CORP STAMPED CERTIFICATES	XX50935970	0.00000H	1,260,000.0000	0	0
11	031808	7,125,000.0000	VENTURE HOLDINGS TRUST SR NOTE SER B	5035597	0.00000H	1,260,000.0000	0	0
11	111907	18,167,000.0000	LJVENT INC	92326YAD10	0.00000H	7,125,000.0000	0	0
11	031808	30,000,000.0000	CELLNET DATA SYS INC	5102085	0.00000H	18,167,000.0000	0	0
11	031808	15,953,000.0000	SENIOR DISC NOTE DUE 10/01/2007 14.000%	5109824	0.00000H	30,000,000.0000	0	0
11	092507	3,300,000.0000	DRYERS CORP SR NTS SER-B	262497A550	0.00000H	0	0	0
11	031808	15,209,000.0000	BB&S SOUTHEAST BANKING CORP 0-CPN STAMPED CERT DUE 12/10/1996	5123009	0.00000H	15,953,000.0000	0	0
11	092507	7,943,000.0000	KELLSTROM IND'S INC SUB NTS CONV	XY51233170	0.00000H	0	0	0
11	092507	18,950,000.0000	DUE 10/15/2002 5.750%	51233117	0.00000H	15,209,000.0000	0	0
11	091708	2,350,000.0000	MAXWELL COMMUN DUE 09/01/1993 8.375%	059026AE20	0.00000H	0	0	0
11	092807	47,149,000.0000	CALPINE CONSTRUCTION FINANCE CO L P / CORP 2ND PRIORITY DUE 08/26/2011 11.602%	5127481	7.963,000.0000	0	0	0
11	092507	18,950,000.0000	MAXPOLY PECK INTL FINANCE CHF DUE 03/20/2049 6.250%	13134AA50	107.50000H	2,526,250	1,136,812	
11	031808	23,010,000.0000	BB&S COMMUNICATIONS GLOBAL USD DUE 03/15/2008 10.000%	5128605	2,350,000.0000			
11	092507	47,149,000.0000	KELLSTROM IND'S INC CONV SUB NOTES DUE 06/15/2003 5.500%	511536AF60	0.00000H	0	0	0
11	031808	66,962,000.0000	PSINET INC SENIOR NOTES SER B DUE 02/15/2005 10.000%	51131393	18,950,000.0000	0	0	0
				5142263	0.00000H	47.149,000.0000	0	0
				5142368	0.00000H	23,010,000.0000	0	0
				74437CAB70	0.00000H	66,962,000.0000	0	0
				5142821	0.00000H	66,962,000.0000	AMORTIZED AMOUNT	57552,412.70

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EMR56	CLIENT 012	RR: H&L STONEHILL INSTITUTIO	MARGIN ACTIVITY STATEMENTS	09/19/08	PRICE	MARKET VALUE	PAGE 93793
732-40126	TC LDA	LONG/SHORT(-)	CURR-CODE: 000	CUSIP/SEC			
11 031808	6,750,000.0000	IN SILICO HOLDING CO SR DISC HT	457661AA40	0.00000H	6,750,000.0000	0	MARGIN REQUIREMENT 0
11 032507	19,780,000.0000	HEWS-AIR GROUP	51444489	SB	19,780,000.0000	2,407,423	722,227
11 031808	26,290,000.0000	HEWRSL COMMUNICATION PLC SR NTS	74972EAC20	0.00000H	0	0	
11 031808	27,500,000.0000	CHS ELECTRONICS INC	5145204	SB	26,290,000.0000	0	0
11 031808	20,070,000.0000	HEXCENTAUR MINING & EXPL LTD SENIOR NOTE	12542AA350	0.00000H	0	0	0
11 031808	25,850,000.0000	HEXODUS COMMUNICATIONS INC SR NTS	5147251	SB	27,500,000.0000	0	0
11 072208	2,274,859.0000	WHEELING PITTSBURGH STE CORP SR SEC'D NT	15153CAC50	0.00000H	0	0	
11 031808	30,820,000.0000	SAFETY KLEEN SERVICES INC SR SUB NOTE	5150557	SB	20,070,000.0000	0	AMORTIZED AMOUNT 17870,781.38
11 031808	22,005,250.0000	NRG ENERGY INC SENIOR DEB	78649QAA30	0.00000H	0	0	
11 070808	19,144,000.0000	DELTA AIR LINES INC DEL PASS THRU TRS CTF 1992 B-1	5173374	SB	30,820,000.0000	0	
11 092507	19,357,000.0000	HEWSAIR GROUP FINANCE B.V SR NTS	629377AN20	0.00000H	0	0	
11 071408	1,601,000.0000	DELTA AIR LINES INC DEL 144A	5174451	SB	22,005,250.0000	0	
11 052908	120,505,000.0000	DUE 03/26/2006 10.330% PSINET INC	247367AC90	94.75000H	19,144,000.0000	1,693,068	1,693,068
11 070808	11,487,000.0000	DUE 11/01/2008 11.500% DELTA AIRLINES INC DEL PASS SER 93-A CLASS A2 DUE 04/30/2016 10.500%	5196207	SB	19,357,000.0000	0	0
			247367AF20	0.00000H	1,601,000.0000	0	
			5202379	SB	11,487,000.0000	2,033,137	2,033,137
						4372,358.39	

CLIENT 012		RR: HAL STONEHILL INSTITUTO		MARGIN ACTIVITY STATEMENTS		09/19/08		PAGE 93794	
TC	LDA	LONG/SHORT(-)	SECURITY DESCRIPTION	CURR-CODE: 000	CUSIP/SEC	PRICE	MARKET VALUE	MARGIN REQUIREMENT	
11	031808	1,801,000.0000	DELTA AIR LINES INC DEL 90E 14 64LC 33.06	247361UN70	0.00000H	1,601,000.0000	0	0	
11	031808	20,158,000.0000	HECHINGER CO SR DEBS	422660AD40	0.00000	0	0	0	
11	031808	15,978,000.0000	WCI COMMUNITIES INC CONV SENIOR SUB NOTE	5205553	SB	20,158,000.0000	0	0	
11	031808	30,550,000.0000	NRG ENERGY INC SR NOTE	92923CAM60	39.00000H	6,231,420	6,231,420	0	
11	031808	23,854,000.0000	CONSUMER PACKAGING INC SR NOTE	5214313	SB	15,978,000.0000	0	0	
11	031808	20,185,000.0000	INSTILCO CORP SR SUB NOTE SER-B	629377AE20	0.00000	0	0	0	
11	092507	995,000.0000	HEMPOLY PECK INTL FINANCE LTD WCI COMMUNITIES INC	5223763	SB	20,185,000.0000	0	0	
11	081308	6,410,000.0000	11/19/1990 6.25% CONV	671536AB50	0.00000H	0	0	0	
11	111907	12,980,000.0000	BUDGET GROUP INC SR NTS	5225032	SB	935,000.0000	0	0	
11	031808	16,619,000.0000	9.125% GTD DEB	5225200	SB	6,410,000.0000	2,115,300	634,590	
11	031808	57,801,000.0000	TELEGLOBE INC DEB	119003AF80	0.00000	0	0	0	
11	111907	17,530,051.0000	04/01/2006 9.125% SFC NEW HLDGS INC	5230760	SB	12,980,000.0000	0	0	
11	070908	12,000,000.0000	SR SUB NT 08/15/2003 13.250% DELTA AIR LINES INC	87941TAE50	0.00000H	0	0	0	
11	031808	3,088,000.0000	07/20/2029 7.700% CARRIER INTL S A SR NOTE SER B DUE 02/15/2009 13.250%	5231763	SB	57,801,000.0000	0	0	
11	031808	3,088,000.0000	PASS THRU CTF SER 1993-A CL A1 DUE 04/30/2008 9.875% SR NOTE SER B DUE 02/15/2009 13.250%	704123AF80	0.00000H	0	0	0	
11	031808	3,088,000.0000	52357126	SB	17,530,050.0000	0	0	0	
11	031808	3,088,000.0000	247367AE50	0.00000H	0	0	0	0	
11	031808	3,088,000.0000	52359485	SB	12,000,000.0000	0	0	0	
11	031808	3,088,000.0000	144500AC90	0.00000H	0	0	0	0	
11	031808	3,088,000.0000	5247881	SB	3,088,000.0000	0	0	0	

BMR56	CLIENT 012	RR: H&I STONEHILL	INSTITUTIONAL	MARGIN ACTIVITY STATEMENTS		09/19/08	PAGE 93795			
				LONG/SHORT(-)	SECURITY DESCRIPTION	CURR-CODE: 000	CUSIP/SEC	PRICE	MARKET VALUE	MARGIN REQUIREMENT
732-40126	TC LDA	36,949,500.0000	IT GROUP INC	SENIOR SUB NOTE SER B	04/01/2009 11.250%	965266AC80	0.00000H	36,949,500.0000	0	0
11 031808					DUE 04/01/2009 11.250%	5249163	SB			
11 092507	1,730,000.0000		AMERICA'S AIR GROUP FIN		DUE 11/15/2004 7.500%	XX52526290	0.00000H			
11 031808	5,892,000.0000		HECHINGER CO		DUE 10/15/2003 6.950%	52525229	SB	1,730,000.0000	0	0
11 031808	163,598,000.0000		PSINET INCORPORATED		DUE 08/01/2009 11.000%	422660AD20	0.00000H			
11 061808	450,000.0000		YOSEMITE SECURITIES TRUST I		DUE 11/15/2006 8.250%	52525271	SB	5,892,000.0000	0	0
11 071008	15,677,000.0000		FRIEDE GOLDMAN INTL INC		DUE 09/15/2004 4.500%	69335VAB30	0.00000H			
11 092507	9,529,000.0000		MAPSINET INC SER EUR		DUE 08/01/2009 11.000%	987406AA30	0.00000H			
11 092507	1,897,524.0000		MAXWELL COMMUNICATIONS		DUE 06/16/1995 5.000%	52535212	SB	450,000.0000	0	0
11 071008	10,280,000.0000		RESIDENTIAL CAP CORP NT		DUE RATE LIQUID	350630AA40	0.00000H			
11 031808	53,180,000.0000		EXODUS COMMUNICATIONS INC		DUE 06/30/2010 8.375%	525329929	SB	15,677,000.0000	0	0
11 031808	10,575,000.0000		VENTURE HOLDINGS TRUST		DUE 12/15/2009 10.750%	30208BAH20	0.00000H			
11 040708	58,995,000.0000		WORLD ACCESS INC		DUE 06/01/2007 11.000%	5261713	SB	53,180,000.0000	0	
11 041608	2,160,000.0000		SENIOR NOTES		DUE 01/15/2008 13.250%	92326YAF60	0.00000H			
11 092507	2,000,000.0000		SLM CORP		DUE 07/27/2009 2.940%	5261756	SB	10,575,000.0000	0	0
11 031808	815,000.0000		MEDIUM TERM NTS		DUE 05/15/2005 6.450%	98141AAD30	0.00000H			
11 092507					DUE 05/15/2005 6.450%	5262144	SB	58,995,000.0000	0	
11 031808					DUE 07/27/2009 2.940%	78442FDQ80	94.85714H			
11 092507					DUE 05/01/2010 12.850%	5262964	SB	2,160,000.0000	2,048,914	614,674
11 031808					DUE 07/01/2010 12.850%	749725AP30	0.00000H			
11 092507					DUE 07/31/2005 6.450%	5263035	SB	2,000,000.0000	0	0
11 031808					DUE 05/15/2005 6.450%	873169AF30	0.00000H			
11 092507					DUE 05/15/2005 6.450%	5264215	SB	815,000.0000	0	0

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		CURR-CODE: 000	CUSIP/SEC	PRICE	MARKET VALUE	MARGIN REQUIREMENT	
732-40126	CLIENT 012	RR: H81 STONEHILL	INSTITUTIONAL				
TC LDA	LONG/SHORT (-)	SECURITY DESCRIPTION					
11 111907	10,167,000.0000	TXU EASTERN FUNDING CO	873159AJ50	0.00000H	10,167,000.0000		0
		GTD SR NOTE	5264235	SB			
11 092507	750,000.0000	DE 05/15/2009 6.750%					
		MS-MISSISSAUGA	H83970BB00	0.00000H			
11 031808	13,600,000.0000	DE 07/23/2003 5.500%	5271493	SB	750,000.0000	0	0
		CONTINENTAL AIRLINES INC SR	2107559D40	0.00000H			
11 031808	4,293,000.0000	NOTES GTD-REG-ESCRW	5272505	SB	13,600,000.0000	0	0
		DE 03/15/1997 11.500%					
		COLO.COM					
11 031808	139,215,000.0000	SR NOTE 144A	195204AA00	0.00000H			
		DE 03/15/2010 13.875%	5273066	SB	4,293,000.0000	0	
		PSINET INC	74437CAG60	0.00000H			
		SR NOTE	5273579	SB	139,215,000.0000	AMORTIZED AMOUNT	3540,718.60
11 092507	1,000,000.0000	DE 12/01/2006 10.500%					
		MS-RLS COMMUNICATIONS PLC	67703AAK10	0.00000H			
11 092507	200,000.0000	DE 03/01/2010 12.875%	5274711	SB	1,000,000.0000	0	0
11 010908	10,725,000.0000	DE 08/08/2030 7.250%	69163JAE00	0.00000H			
		REAPSINET INC	5275991	SB	0.00000H	0	0
		EURO SERIES	XX52772070	0.00000H			
11 031808	4,000,000.0000	DE 12/01/2006 10.500%	5277207	SB	10,725,000.0000	0	0
		ETDYS IND					
		CDNY SUB NOTE	297862AB00	0.00000H			
		DE 12/01/2004 6.250%	5294718	SB	4,000,000.0000	0	0
11 092507	1,715,000.0000	DE 11/04/2004 2.125%	YX52964570	0.00000H			
11 031808	1,700,000.0000	COLOR TITLE INC SR NT	5296457	SB	1,715,000.0000	0	0
11 031808	105,000.0000	DE 12/15/2001 10.750%	195267AD00	0.00000H			
		EXODUS COMMUNICATIONS INC	5307531	SB	1,700,000.0000	0	0
		SR NT 144A	302088AK50	0.00000H			
11 031808	21,150,000.0000	DE 07/15/2010 11.625%	5308012	SB	105,000.0000	0	0
		NRG ENERGY INC	629377AC70	0.00000H			
11 031808	11,000,000.0000	DE 09/15/2010 8.250%	6310622	SB	21,150,000.0000	0	0
		EAGLE GEOPHYSICAL INC	2695249E00	0.00000H			
		SR NT SER B -ESCRWED-	5310628	SB	11,000,000.0000	0	0
11 031808	2,610,135.0000	DE 07/15/2008 10.750%	55376WAD10	0.00000H			
		MTS INC	5322253	SB	2,610,135.0000	0	0
		SR SUB NOTE					
		DE 03/19/2009 10.000%					

BMR56 732-40126 TC LDA 11 061308	CLIENT 012 RR: HBI STONEHILL LONG/SHORT(-) 4,187,000.0000	MARGIN ACTIVITY STATEMENTS			09/19/08	PAGE 93797
		SECURITY DESCRIPTION	CURR-CODE: 000	PRICE		
11 031808	24,550,000.0000	PRIVATE PLACEMENT DUE 08/15/2005 8.000%	5324524	SB 0.0000H	4,187,000.0000	AMORTIZED AMOUNT 0
11 092507	18,047,000.0000	RSL COMMUNICATIONS PLC GRD U.S. SR NT DUE 03/01/2010 12.875%	5325546	SB 24,550,000.0000	0	0
11 031808	14,000,000.0000	RARSL COMMUNICATIONS PLC DUE 03/01/2010 12.875%	67702XAC00	SB 0.0000H	18,047,000.0000	AMORTIZED AMOUNT 0
11 092507	35,743,000.0000	GT GROUP TELECOM INC SENIOR DISC EXCH NOTES DUE 02/01/2010 13.250%	5326574 5329921	SB 36235PAC50 SB 14,000,000.0000	0 0	0
11 092507	1,250,000.0000	R&S AT GROUP FINANCE DUE 10/06/2010 6.625%	N5639RAC20	SB 0.0000H	35,743,000.0000	AMORTIZED AMOUNT 0
11 080508	11,220,000.0000	MIMPASMINGO FINANCE LTD EURO MEDIUM TERM NOTE DUE 02/10/2003 WCI CHNTYS INC SR SUB NT	5332712 Q73665AA10 5334867	SB 0.0000H 0.0000H SB 1,250,000.0000	35,743,000.0000 0 0	AMORTIZED AMOUNT 33062,275.00
11 072208	2,525,000.0000	BRDOR BRO'S CO SR NOTE DUE 03/15/2015 6.625%	5333735	SB 40.0000H	4,488,000	4,488,000
11 092507	688,000.0000	MMULIAKERAMIK FINANCE LTD SENIOR B VAR RT DUE 10/15/2010 11.250%	112013AB30 5341743	SB 67,5000H SB 2,555,000.0000	1,704,375	1,704,375
11 092507	7,540,000.0000	MMEXODUS COMMUNICATIONS SENIOR NOTES DUE 12/15/2009 10.750%	V65509AB30 5341886 XX534226960 5342696	SB 0.0000H SB 680,000.0000 0.0000H SB 7,540,000.0000	0 0 0 0	AMORTIZED AMOUNT 666,644.93
11 031808	4,260,000.0000	MMEXODUS COMMUNICATIONS SENIOR NOTES DUE 07/15/2008 11.375%	302088AN90 5343324	SB 0.0000H SB 4,260,000.0000	0 0	0
11 010708	7,429,000.0000	MMEXODUS COMMUNICATIONS INC EURO ISSUE DUE 11/30/2005 7.000%	G9143RA00 5346617	SB 0.0000H SB 7,429,000.0000	0 0	0
11 031808	191,285,000.0000	EXODUS COMMUNICATIONS INC U.S. SR NT DUE 07/15/2010 11.625%	302088AL30 5355200	SB 0.0000H SB 191,285,000.0000	0 0	AMORTIZED AMOUNT 143886,106.43
11 092507	3,114,291.0000	MMULIAKERAMIK FINANCE LTD SENIOR A VAR RATE DUE 10/31/2007 7.187%	V65509AA50 5355724	SB 0.0000H SB 3,114,291.0000	0 0	0

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B4R56		CLIENT 012	MARGIN ACTIVITY STATEMENTS			09/19/08	PAGE 93798
7332-40126	RR: HBI	STONEHILL INSTITUTIO	CURR-CODE: 000	CUSIP/SEC	PRICE	MARKET VALUE	MARGIN REQUIREMENT
TC LDA	LONG/SHORT(-)	SECURITY DESCRIPTION					
11 073008	4,050,000.0000	GENERAL MOTORS ACCEPTANCE CORP	370625RUG0	62.78500	4,050,000.0000	2,512,792	1,144,256
		GLOBAL NOTES	5356646	SB	0.00000H		
11 031808	1,575,000.0000	DEU 03/02/2011 7.250%	53065L9A10	0.00000H	0	0	0
		INVT 146A	53355558	SB	1,575,000.0000		
11 031808	1,700,000.0000	DEU 11/15/2020 6.750%	5335457	SB	0.00000H	0	0
		ESCROW GUANGDONG INTL TR & INV 40065L9B90	5335457	SB	1,700,000.0000		
11 031808	34,794,000.0000	DEU 10/24/2016 8.750%	04518GAB70	0.00000H	0	0	0
		ASIA GLOBAL CROSSING LTD	53422572	SB	34,794,000.0000	AMORTIZED AMOUNT	28609,022.38
11 031808	56,400,000.0000	DEU 10/15/2010 13.375%	629377AL60	0.00000H	0	0	0
		NRG ENERGY INC BONDS	53663394	SB	56,400,000.0000		
11 031808	21,150,000.0000	DEU 04/01/2031 8.625%	629377AK80	0.00000H	0	0	0
		NRG ENERGY INC NOTES	53663395	SB	21,150,000.0000		
11 121007	5,000,000.0000	DEU 04/01/2011 7.750%	331130AP10	0.00000H	0	0	0
		FLEMING COS INC NTS	53708556	SB	5,000,000.0000	AMORTIZED AMOUNT	4661,205.45
11 041008	1,350,000.0000	DEU 04/01/2008 10.125%	125561AV00	91.5710	1,350,000.0000	1,236,208	370,862
		CIT GROUP INC NEW SR NT	53611485	SB			
11 031808	1,040,000.0000	DEU 01/30/2009 2.946%	67111WA110	0.00000H	0	0	0
		NRPIV INVESTMENT FINANCE CV REG S	53353554	SB	1,040,000.0000		
11 092507	760,000.0000	DEU 12/01/2000 4.500%	036095AB80	0.00000H	0	0	0
		ASIAH WINTERTHUR UNDERAGY SIC LTD EURO MEDIUM TERM NOTE	5304497	SB	760,000.0000		
11 031808	584,000.0000	DEU 05/14/2003 5.987%	2338609B30	0.00000H	0	0	0
		DAIRY MART CONVENIENCE STORES INC - ESCROW -	5430398	SB	584,000.0000		
11 070908	87,000,000.0000	DEU 03/15/2004 10.250%	U29302AJ20	0.00000H	0	0	0
		ENRON CORP EURO DEB	5445610	SB	87,000,000.0000		
11 071008	200,000,000.0000	DEU 06/18/2004 0.970%	U29302AG80	0.00000H	0	0	0
		ENRON CORP	5446359	SB	200,000,000.0000		
11 092507	12,000,000.0000	DEU 06/15/2003 0.678%	U83975AC80	0.00000H	0	0	0
		SAIR GROUP	5449492	SB	12,000,000.0000		
		DEU 02/02/2007 4.250%					

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BMR56		CLIENT 012	RR: H81 STONEHILL	INSTITUTO	MARGIN ACTIVITY STATEMENTS	09/19/08	PRICE	MARKET VALUE	PAGE 93799
TC	LDA	LONG/SHORT(-)	SECURITY DESCRIPTION	CURR-CODE: 000	CUSIP/SEC				MARGIN REQUIREMENT
11	092507	1,750,000.0000	**MSAIRGROUP	H83970AJ40	10.36800H	181,440			81,648
11	031808	1,500,000.0000	DUE 09/10/2005	5449496	SB	1,1750,000.0000			
11	092507	1,500,000.0000	DELTA AIRLINES INC DEL	247361WV50	82.50000H	1,237,500			
11	092507	2,815,000.0000	EQUIP TR CTF SER 1990 D	5451783	SB	1,500,000.0000			
11	092507	2,035,000.0000	DUE 07/30/2004 2.750%	H8397SAB00	0.00000H				
11	092507	2,035,000.0000	**MSAIRGROUP ZUERICH	5454713	SB	2,0315,000.0000	0		0
11	092507	115,000.0000	VARIABLE RATE	H83970AU70	11.29200H	229,792			
11	092507	27,655,000.0000	DUE 02/15/2013 4.125%	5461232	SB	2,0335,000.0000			103,406
11	092507	27,655,000.0000	**POLLYPECK	H83970AXJ0	10.36800H				
11	092507	21,145,000.0000	DUE 09/20/1994 5.625%	671536AE20	0.00000H				
11	092507	21,145,000.0000	**POLLYPECK	5478585	SB	27,855,000.0000	0		0
11	073008	14,355,000.0000	DUE 04/07/1993 5.750%	671536AC30	0.00000H				
11	092507	7,000,000.0000	HCI COMMUNITIES INC	5478587	SB	21,145,000.0000	0		0
11	092507	7,000,000.0000	CTD SENIOR SUB NOTE	92293CAG90	39.00000H				
11	092507	7,000,000.0000	DUE 05/01/2012 9.125%	5499304	SB	14,355,000.0000	5,598,450		5,598,450
11	121007	7,882,000.0000	**POLLY PECK INTL FINANCE-DM CPN	H7154NA90	0.00000H				
11	121007	7,882,000.0000	DUE 04/20/1993 6.000%	5494069	SB	7,000,000.0000	0		0
11	092507	3,150,000.0000	FLEMING COMPANIES INC	139130AY40	0.00000H				
11	111907	4,132,000.0000	SENIOR NOTES	5497868	SB	7,882,000.0000	0		0
11	100407	230,000.0000	DUE 06/15/2010 9.250%	H5992XVA50	180.05463H	5,671,720			2,552,274
11	031808	5,258,000.0000	EAST ASIA MEDIUM TERM NOTE	5515750	SB	3,150,000.0000			
11	031808	5,000,000.0000	DUE 12/15/2008 6.250%						
11	031808	5,000,000.0000	SOUTHEAST BKG CORP SUB NTS REG 841330AD80						
11	031808	5,000,000.0000	DUE 04/11/2001 10.500%	5551644	SB	4,132,000.0000	0		0
11	031808	5,000,000.0000	AMERICAN RICE INC	029318AA00	0.00000H	230,000.0000	0		0
11	031808	5,000,000.0000	MTG NOTES W/CONTINGENT INT	5552686	SB	230,000.0000	0		0
11	031808	5,000,000.0000	DUE 07/31/2002 13.000%						
11	031808	5,000,000.0000	DELTA AIR LINES INC DEL	247361WV70	82.50000H	4,337,850			
11	031808	5,000,000.0000	EQUIP TR CTF SER 1990 C	5555517	SB	5,258,000.0000			1,952,032
11	031808	5,000,000.0000	SOURCE MEDIA INC	8336153AC00	0.00000	5,000,000.0000	0		0
11	031808	5,000,000.0000	SR SEC'D NTS	5563864	SB	5,000,000.0000	0		0

BMR56		CLIENT 012		RR: H81 STONEHILL		INSTITUTO		MARGIN ACTIVITY STATEMENTS		09/19/08		PAGE 93800	
732-40126	TC LDA	LONGSHOR(-)	PHAR-MOR INC	SECURITY	DESCRIPTION	CUSIP/SEC	PRICE	MARKET VALUE	AMORTIZED AMOUNT	MARGIN REQUIREMENT			
11	092507	1,884,000.0000	SR NOTE	5575732	SB	0.00000H	1,884,000.0000	0	0	1402,853.45			
11	031808	5,200,000.0000	DUE 09/11/2002	11.720%	CALPINE GENERATING CO	13135BAE60	0.00000H						
11	031808	2,860,000.0000	DUE 04/01/2009		JET EQUIPMENT TR MEZZANINE	5574272	SB	5,200,000.0000	0	0	0		
11	031808	5,718,000.0000	NOTE CL B 95-B		NOTE CL B 95-B	477122AV70	0.00000						
11	031808	5,718,000.0000	DUE 02/15/2015	7.830%	ESROW CONTINENTAL AIRLINES	5574462	SB	2,860,000.0000	0	0	0		
11	102407	1,088,000.0000	TNC		DUE 11/15/2001	10.000%							
11	041008	2,700,000.0000	SOUTHEAST BANKING CORP-FRN		CPN	841338AF30	0.00000H						
11	041008	450,000.0000	DUE 11/12/1997	5.250%	CIT GROUP INC	5598001	SB	1,088,000.0000	0	0	0		
11	031808	5,000,000.0000	DUE 12/19/2008	3.212%	DELTA AIR LINES INC DEL 90E 14	125577AV80	99.33600						
11	041008	450,000.0000	6A10 79/14		6A10 79/14	563664	SB	2,700,000.0000	2,682,072	804,621			
11	041008	450,000.0000	DUE 03/26/2014	10.790%	CIT GROUP FUNDING CO CDA	247361VK30	0.00000H						
11	081208	11,694,343.0000	SR NT		DUE 07/01/2010	4.650%							
11	091608	7,020,00.0000	NORTHERNSTAR NAT GAS INC		SR NTS 144A	666107A450	92.00000H						
11	041008	3,935,000.0000	DUE 05/15/2013	5.000%	WASHINGTON MUT PFD FDG TR I	5713396	SB	11,694,343.0000	10,758,795	3,227,638			
11	031808	10,772,00.0000	PERPETUAL 144A		DUE 03/07/2049	6.534%							
11	060908	2,700,00.0000	DELTA AIR LINES INC DEL 90G 14		4A10 79/13	93934WAAX0	12.05300H						
11	041008	3,935,000.0000	DUE 09/26/2013	10.790%	WMCIT GROUP FDG CO CDA	5726350	SB	7,020,000.0000	846,120	253,836			
11	060908	2,700,00.0000	SR NT		DUE 11/02/2011	5.600%							
11	090208	5,400,00.0000	COUNTRYWIDE ASSET-BCK CERTIF		SERIES 2006-57 CLASS A6	12668UAF60	84.50000H						
11	041008	3,935,000.0000	DUE 11/25/2015	5.693%	CWHEQ HOME EQUITY LOAN TRUST	5801730	SB	10,772,000.0000	9,102,340	4,096,053			
11	090208	5,400,00.0000	HTGPC SERIES 2006-S7 A-1-VAR		DUE 11/25/2035	85.41443H	64.22330H						
11						5850819	SB	3,935,000.0000	2,605,886	1,172,649			
11						12668UAF60	48.30430H						
11						5801730	SB	2,700,000.0000	1,304,324	1,304,324			
11						12668UAA70	85.41443H						
11						5850819	SB	5,400,000.0000	1,815,524	1,815,524			
11						12668UAF60	48.30430H						
11						5801730	SB	2,700,000.0000	1,304,324	1,304,324			

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BUR56	CLIENT 012	RR: H&I STONEHILL INSTITUTO	MARGIN ACTIVITY STATEMENTS	CURR-CODE: 000	09/19/08	PAGE 93801
732-40126	TC LDA	LONG/SHORT(-)	SECURITY DESCRIPTION	CUSIP/SEC	PRICE	MARGIN REQUIREMENT
11 092507		500,000.0000	MEXICO BANK PLC	G33365SG40	111.2537H	556,296
11 050608	7,472,000.0000	EURO MEDIUM TERM NOTE DUE 01/16/2012 7.125%	5826171	SB	500,000.000	250,333
11 073008	6,750,000.0000	UNIFI INC SR SC NT 11.5%14 DUE 05/15/2014 11.500%	9046774G60	90.00000H	6,724,800	6,724,800
11 082508	7,804,000.0000	CHEQ HOME EQUITY LN TR SER 2006-S5 CLASS A2 DUE 06/25/2035 5.681%	582683AB70	59.50563H	4,016,630	4,016,630
11 092507	17,100.0000	COUNTRYWIDE ASSET-BACKED CTFs SERIES 2006-S8 CLASS A3 DUE 04/25/2036 5.555%	5943647	SB	6,750,000.000	3,727,509
11 092507	16,000,000.0000	RESEASE HOLDINGS DUE 10/01/2042 3.250%	XK59557740	0.00000H	0	0
11 082908	2,700,000.0000	MERBANQUE PALLAS IN DEFAULT	59255774	SB	0.00000H	0
11 092507	1,517,420.0000	MARDANI HOLDINGS AG DUE 12/31/2069 6.000%	5925594B70	0.00000H	0	0
11 082908	2,700,000.0000	CHEQ HOME EQUITY LOAN TRUST SERIES 2006-S10 CLASS A-2 DUE 10/28/2036 2.691%	5926439	SB	1,517,420.000	0
11 032508	2,025,000.0000	STALLION OILFIELD SVCS LTD / CORP SR NT 140A DUE 02/01/2015 9.750%	12668YAB90	90.53437H	2,444,427	2,444,427
11 092507	1,434,289.0000	MILLUXFER HOLDINGS PLC DUE 02/06/2012 11.330%	59268WAD00	0.00000H	0	0
11 092607	1,239,362.8700	VIATEL HOLDING (BERMUDA) LTD CONV SR SECURED NOTE DUE 12/31/2014 8.000%	5986867	SB	1,434,289.000	0
11 092807	60,634,128.3800	SNL CORP LITIGATION TRUST SERIES C-1 CERTIFICATE ME ZUCKERMAN INVESTMENTS DUE 12/31/2026 10.000%	XX9N418400	0.00000	0	0
11 092707	287,446.0000	CCFC REDEEMABLE PREFERRED SERIES C-1 CERTIFICATE ME ZUCKERMAN INVESTMENTS DUE 06/20/2003 8.350%	9N41840	SK	1,239,362.870	0
11 092707	10,000.0000	XX9TELEGLOBE INC UNSECURED DEBENTURE IN DEFAULT DUE 06/20/2003	XX9N437650	0.00000	0	0
11 092507	2,000,000.0000	XX9N440530	0.00000	0	0	0
		9N44093	SB	2,000,000.000	0	0

19.0.26

BRS56	CLIENT	012	RR:	H&L STONEHILL INSTITUTION	MARGIN ACTIVITY STATEMENTS			09/19/08	PAGE	93802
					CURR/CCODE:	CUSIP/SEC	PRICE			
732-40126	IC	RR:	LOA	LONG/SHORT(-)	SECURITY DESCRIPTION					
11 100907				494,595.3100	VIATEL HOLDING (BERMUDA) LTD	XX9N447160	0.00000	494,595.3100	0	0
11 010708	17,545.6300			SENIOR SECURED INCREASING RATE	9N46716	SK				
				DUE 07/01/2007 12.500%						
11 100907	23,038.8900			VIATEL HOLDING (BERMUDA) LTD S	XX9N457120	0.00000				0
				SR SECURED INCREASING RATE	9N45712	SK				
				DUE 07/01/2007 13.000%						
11 101607	249,016.6500			VIATEL HOLDING (BERMUDA) LTD S	XX9N457130	0.00000				0
				SR SECURED INCREASING RATE	9N45713	SK				
				DUE 07/01/2007 13.500%						
11 071508	249,016.6500			VIATEL HOLDING (BERMUDA) LIMIT	XX9P065630	0.00000				0
				SENIOR SECURED INCREASING RATE	9P06563	SK				
				DUE 07/01/2008 14.250%						
11 092707	22,397.0000			OPEN CONNECT SYSTEMS INC	XX90574370	0.00000				0
11 100107	33,192.0000			RESTRICTED	9057437	SK				0
				DELTAFDG RESIDUAL EXCHANGE CO	XX90678200	0.00000				
				RESTRICTED CL A	9067850	SK				
11 092707	175,438.6000			CHANGING WORLD TECHNOLOGIES	XX91118260	0.00000				0
11 091908	30,110.0000			INC RESTRICTED	9111826	SK				0
				TO A/C #	(***)					
				XX99993400	0.00000					
29 070708	48,600.0000			ACACIA RESEARCH - ACACIA	9999340	0.00000				0
29 070208	166,227.0000			TECHNOLOGIES	0038813070	4.38000				145,800
				ADVANTA CORP-CL A	A013707	SB	48,600.0000			
29 091708	689,353.0000			ADVANTA CORP-CL B NON-VTG	007942050	6.74000				498,771
					A080425	SB	1,120,572			
					0079422240	9.52000H	166,257.0000			
29 091108	0.0000			CIT GROUP INC NEW	A189735	SB	6,563,021			1,968,906
					1255811080	11.16000				
29 070708	9,357.0000			CORE MARK HOLDING CO INC	C011859					191,150
29 092208	343,156.0000			CONTINENTAL AIRLINES INC-CL B	2186811040	27.92000				70,374
					C014818	SB	261,247			
					2107953080	18.40000	6,357.0000			
29 092707	33,194.0000			DELTA FUNDING RESIDUAL	C562466	SB	343,356.0000	6,317,750		1,895,325
				MANAGEMENT INC	2479261080	0.00000H	F			
					D007053	SK	11,265.0000			
							0			
							33,194.0000			

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BURRS6	CLIENT	012	MARGIN ACTIVITY STATEMENTS	09/19/08	PAGE
7332-40126	RR:	H81 STONEHILL INSTITUTO	CURR-CODE: 000		93803
TC LDA	LONG/SHORT-)	SECURITY DESCRIPTION	CUSIP/SEC	PRICE	MARGIN REQUIREMENT
29 091908	262,457.0000	DELTA AIR LINES INC DEL COM NEW	2473617020	9.67000H	2,538,365 761,503
29 040208	51,950.0000	EXX INC-CL A	2692821090	2.60000	134,810
29 070708	67,540.0000	ICO GLOBAL COMMUNICATIONS	ED29150 SB	51,850.0000	134,810
29 091908	46,289.0000	HLDCS LTD DEL CL A	44930K1080 SB	2,25000H	151,965
29 082108	0.0000	HOUNANIAN ENTERPRISES INC-CL A	H010818 SB	67,540.0000	418,915
29 063008	0.0000	NBIA INC	H394718 SB	0	209,457
29 092208	445,643.0000	NORTHWESTERN CORPORATION NEW	H000545 SB	12.88000	1,080,000
29 081908	0.0000	NORTHWEST AIRLS CORP	H680743050	26.22000H	0
29 060308	233,431.0000	PORTLAND GENERAL ELECTRIC CO NEW	H007436 SB	0	489,225
29 081208	0.0000	RATT FINANCIAL TRUST	H672804080	11.53000	1,541,479
29 091908	701,010.0000	US AIRWAYS GROUP INC	H009281 SB	5,138,263	0
29 090208	0.0000	WELLS FARGO & CO	H5548P1060 SB	4.18115H	51,694.0000
29 091508	0.0000	WACHOVIA CORPORATION COM	H101684 SB	0	79,701
29 091108	0.0000	WASHINGTON MUTUAL INC	H365089470	25.00000H	1,750,732
29 091608	276,659.0000	WEZARLINK SEMICONDUCTOR INC	H019060 SB	5,835,775	0
29 050508	27,250,000.0000	WMA A SEN - ESCROW CUSIP - DUE 03/01/2005	H492271040	7.35000	235,000
29 050508	20,000,000.0000	WMA A SEN - ESCROW CUSIP - DUE 06/01/2004	H003584 SB	90341W080	5,564,989
			H0036620 SB	7.91000	1,663,496
			H497461010	540,099.0000	0
			H001549 SB	39.00000	1,235,790
			H299031020	18.75000	0
			H002990 SB	4.25000	455,625
			H393222030	0	2,174,652
			H028516 SB	0	135,562
			H001391000	0.49000	0
			H001713 SB	276,659.0000	0
			H299ESCB20 SB	0.00000	0
			H002DDDY9 SB	27,250,000.0000	0
			H299ESCB90 SB	0.00000	0
			H002DDFC1 SB	20,000,000.0000	0

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BHRS56		CLIENT 012	RR: H81 STONEHILL INSTITUTION	INSTITUTION	MARGIN ACTIVITY STATEMENTS	09/19/08	MARKET VALUE	PAGE 93804
				CURR-CODE: 000	CUST/P/SEC	PRICE	MARGIN REQUIREMENT	
29	050508	TC LDA	LONG/SHORT(-)	SECURITY DESCRIPTION	629ESCC950	0.00000	0	
29	050508	40,275,000.0000	NWA A SEN	- ESCROW CUSIP -	580DFC2	30	40,275,000.0000	
29	050508	6,500,000.0000	NWA A SEN	- ESCROW CUSIP -	629ESCC950	0.00000	0	
29	050508	2,000,000.0000	NWA A SEN	- ESCROW CUSIP -	580DFC3	SB	6,500,000.0000	
29	071608	801,000.0000	DELT AIR LINES INC DEL	2,520Z	629ESCC950	0.00000	0	
29	061708	2,700,000.0000	EQUIP TR CTF SER 1990 D	2,390Z	580DFC4	SB	2,000,000.0000	
29	061708	2,700,000.0000	UAL CORP	10.330Z	247361VL90	0.00000H	0	
29	062208	0.0000	ORD SETTLEMENT BD	502549AE40	55.87500	801,000.0000	0	
29	072508	0.0000	DUE 02/01/2021	5.000Z	5725709	SB	2,700,000.0000	
29	072508	0.0000	UNITED STATES TREASURY BOND	4.375Z	912810PW20	100.03100	452,587	
29	081508	0.0000	UNITED STATES TREASURY NOTE	4.375Z	7001110	0	2,700,837	
29	081508	0.0000	DUE 05/15/2018	3.875Z	912828HA60	100.93000	545,022	
52	091108	38,230.0000-	UNITED STATES TREASURY NOTE	4.000Z	7001113	0	1,571,257	
52	091108	38,230.0000-	DUE 02/15/2014	4.000Z	912828CA60	104.75049H	0	
52	082108	216,000.0000-	CIT GROUP INC NEW	1255811080	11.16000	426,646-	0	
52	063008	62,195.0000-	MBIA INC	C011859	58262C1000	12.88000	2,782,000-	
52	081908	19,062.0000-	NORTHWESTERN CORPORATION NEW	6000545	6880743050	26.22000H	0	
52	081208	47,000.0000-	RAIT FINANCIAL TRUST	N007436	6880743050	1,630,752-	0	
52	090208	103,500.0000-	WELLS FARGO & CO	N1.01684	615540P1060	4.18115H	0	
52	091508	81,000.0000-	WACHOVIA CORPORATION	7492271040	7.35000	345,450-	0	
52	091108	511,683.0000-	WASHINGTON MUTUAL INC	R003584	9497461010	39.80000	4,119,390-	
				W001549	9299031020	18.75000	0	
				W002990	2393221030	1,518,750-	0	
				W028516	4.25000	2,174,652-	0	

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CLIENT 012		MARGIN ACTIVITY STATEMENTS			09/19/08	PAGE 93605
RR: H81 STONEHILL INSTITUTION	CURR-CODE: 000	SECURITY DESCRIPTION	CUSIP/SEC	PRICE	MARKET VALUE	MARGIN REQUIREMENT
TC LDA	LONG/SHORT(-)	UNITED STATES TREASURY BOND	912810PM20	100.03100	27,008,370-	0
52 082108	27,000,000.0000-	DUE: 02/15/2038 4.375%	7001110			
52 072508	5,400,000.0000-	UNITED STATES TREASURY NOTE	912828HZ60	100.93000	5,450,120-	0
52 081508	15,000,000.0000-	DUE 05/15/2018 3.875%	7001113			
		UNITED STATES TREASURY NOTE	912828CA60	104.75049H	15,712,574-	0
		DUE 02/15/2014 4.000%	7004940			
TOT M	- - - T O T A L S - - -					
EQUITY	222,262,611	OLD SMA	8,270,176-	SMA	8,270,176-	SMA CHANGE
CSH AV	282,202,431	LIQ EQT	282,202,351	EQY Z 100	71,058,711	NEW HSE CALL
	8,270,176	BUYING P	16,540,353	OTHER EXCESS	217,505,394	NYSE OPT REQ

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BMR56		CLIENT 012		MARGIN ACTIVITY STATEMENTS		09/19/08		PAGE 93806	
752-40126		RR: H81 STONENTHLL INSTITUTO		CURR-CODE: 002 C6					
TC	- - - - -	- - - - -	BALANCES	- - - - -	- - - - -	OPEN S/D BAL	CLOSE S/D BAL	OPEN S/D BAL	CLOSE S/D BAL
11	OPEN T/D	BAL	CLOSE T/D	BAL	CLOSE T/D	BAL	00.00	00.00	00.00
29	FOREIGN CURRENCY	C\$ RATE	.95352472	T/D BAL	759,002.16	702,486.53	759,002.16	759,002.16	13,282,551
52	FOREIGN CURRENCY	C\$ RATE	.95352472	T/D BAL	723,727.32	1,312,615.42-	1,312,615.42-	1,369,131.05-	384,839
T	FOREIGN CURRENCY	C\$ RATE	.95352472	T/D BAL	1,305,500.30-	610,128.89-	610,128.89-	610,128.89-	1,391,326-
52	TC S/DTE	- - - - -	ACTIVITY	- - - - -	LONG/SHORT(-)	MARK TO MARKET	MARK TO MARKET	MARK TO MARKET	12,276,063
29	09/19	- - - - -	POSITIONS	- - - - -	LONG/SHORT(-)	DESCRIPTION	DESCRIPTION	DESCRIPTION	
52	09/19	- - - - -	LDA	- - - - -	782,064.0000	MARK TO MARKET SHORT POS	MARK TO MARKET SHORT POS	MARK TO MARKET SHORT POS	
11	091708	14,590,000.0000	GENERAL MOTORS ACCEPTANCE CORP OF CANADA LTD	DUE 05/22/2009	6,721Z	SECURITY DESCRIPTION	CUSIP/SEC	PRICE/ENT	DEBIT/CREDIT(-)
11	041408	14,590,000.0000	GENERAL MOTORS ACCEPTANCE CORP OF CANADA LTD	DUE 05/22/2009	6,721Z	ZARLINK SEMICONDUCTOR INC	9891391000	0.51388	56,515.63
29	082908	0.0000	CANADIAN IMPERIAL BANK OF COMMERCE	Y001713	SB	ZARLINK SEMICONDUCTOR INC	Y001713	0.51388	56,515.63-
29	082808	0.0000	HONORBORD INC	65548P1060	SB	GENERAL MOTORS ACCEPTANCE CORP OF CANADA LTD	370472BMM00	88.28418H	401,889
29	091508	748,886.0000	HONORBORD INC	N101684	SB	HONORBORD INC	5BBGF19	14,570,000.0000	5,796,298
52	082908	10,420.0000-	CANADIAN IMPERIAL BANK OF COMMERCE	9891391000	0.51388	CANADIAN IMPERIAL BANK OF COMMERCE	1360691010	62.50493	195,390
52	082808	168,765.0000-	CANADIAN IMPERIAL BANK OF COMMERCE	Y001713	0.51388	HONORBORD INC	65548P1060	4.38439H	740,024
TOT MU	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -
EQUITY	12,776,065	OLD FED CALL	877,119	FED CALL	877,119	NEW FED CALL	877,119	0	
CSH AV	12,886,193	LIQ EQT	12,886,193	HOUSE EXCESS	5,767,751	NEW HSE CALL	5,767,751	0	
	0	BUYING P	0	OTHER EXCESS	8,889,336	NYSE OPT REQ	8,889,336	0	

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CLIENT 012		MARGIN ACTIVITY STATEMENTS		09/19/08		PAGE 93807	
732-40126 RR: H81 STONERTILL INSTITUTO		CURR-CODE: 003 BP					
- - - - - BALANCES - - - - -		OPEN T/D BAL		CLOSE T/D BAL		OPEN S/D BAL	
TC	OPEN T/D BAL	00.00	00.00	00.00	00.00	00.00	00.00
11	FOREIGN CURRENCY BP RATE	1.03010002	T/D BAL	4,931.68	T/D BAL	4,931.68	T/D BAL
29	FOREIGN CURRENCY BP RATE	4,931.68	4,931.68	4,931.68	4,931.68	4,931.68	4,931.68
T	FOREIGN CURRENCY BP RATE	1.03010002	T/D BAL	4,931.68	T/D BAL	4,931.68	T/D BAL
1	4,931.68	4,931.68	4,931.68	4,931.68	4,931.68	4,931.68	4,931.68
NO ACTIVITY FOR THIS ACCOUNT							
- - - - - POSITIONS - - - - -		LONG/SHORT(-)		SECURITY DESCRIPTION		CUSIP/SEC	
TC	LDA	807,000.0000	EXECUTIVE GROUP INC	EURO MEDIUM TERM NOTE	U12601AB40	PRICE 94.22243H	MARKET VALUE 760,375
11	040108	807,000.0000	EXECUTIVE GROUP INC	DOU 12/15/2008 5.500%	5214345	SB 807,000.0000	760,375
11	070108	873,632.0000	MEHLUXFER HOLDINGS PLC	DOU 02/06/2012 11.330%	G5698WAD00	0.00000H	0
- - - - -	- T O T A L S - - - - -	- - - - -	- - - - -	- - - - -	5986867	SB 0.00000H	0
TOT MV	760,375	OLD SMA	1,350-	SMA	0	873,632.0000	0
EQUITY	755,443	LIQ EQU	755,443	HOUSE EXCESS	1,350-	SMA CHANGE	0
CSH AV	0	BUYING P	2,700	OTHER EXCESS	413,274	NEW HSE CALL	0
					679,405	NYSE OPT REQ	0

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CLIENT 012 73240126		RR: H&L STONEHILL INSTITUTION		MARGIN ACTIVITY STATEMENTS		09/19/08		PAGE 93808	
				CURR-CODE: 016 JY					
TC	- - - - -BALANCES	OPEN T/D BAL	CLOSE T/D BAL	OPEN S/D BAL	CLOSE S/D BAL	OPEN S/D BAL	CLOSE S/D BAL	MARKET VALUE	DLA
11	FOREIGN CURRENCY JY RATE	01.00-	01.00-	01.00-	01.00-	01.00-	01.00-	00	05/13/08
- - - - -ACTIVITY FOR THIS ACCOUNT	NO ACTIVITY	.009352201	T/D BAL	00.00-					
TC LDA	LONG/SHORT(-) POSITIONS	1080,000,000.0000	SECURITY DESCRIPTION	CUSIP/SEC	PRICE	MARKET VALUE	MARKET VALUE		
11 050908	11 051308	540,000,000.0000	ENRON CORP DUE 06/18/2003	U29302AH60	0.00000H	0	0		
			ENRON CORP DUE 06/15/2003	5446109 SB	1080,000,000.0000	0	0		
				U29302AG80	0.00000H	0	0		
				5446359 SB	540,000,000.0000	0	0		
TOT MV	0	0	OLD SMA	SMA					
EQUITY	1	1	LIQ EQT	1	EQY Z	0	0	SMA CHANGE	0
CSH AV	0	0	BUYING P			HOUSE EXCESS	0	NEW HSE CALL	0
						OTHER EXCESS	0	NYSE OPT REQ	0

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CLIENT 012 RR: H81 STONEHILL INSTITUTIO		MARGIN ACTIVITY STATEMENTS		09/19/08		PAGE 93809	
		CURR-CODE: 246 EM					
TC	- - - - -	OPEN T/D BAL	CLOSE T/D BAL	OPEN S/D BAL	CLOSE S/D BAL	MARKET VALUE	DLA
11	0.00		0.00	00.00	00.00	2,003,276	09/18/08
FOREIGN CURRENCY EM RATE	419.883.78-	1.43870132 T/D BAL		00.00	00.00		
29	419.883.78-	419,883.78-		419,883.78-	419,883.78-	00	09/18/08
FOREIGN CURRENCY EM RATE	419.883.78-	1.43870132 T/D BAL		604,087.34-	604,087.34-		
T	419.883.78-	419,883.78-		419,883.78-	419,883.78-	00	09/18/08
- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	2,003,276	
NO ACTIVITY FOR THIS ACCOUNT							
TC LDA	- - - - -	LONG/SHORT(-)	SECURITY DESCRIPTION	CUSIP/SEC	PRICE	MARGIN REQUIREMENT	
11 071608	1,080,000.0000	REFIGMAC BANK GMBH	EURO MEDIUM TERM NOTE	N3592XB60	78.94734H	852,631	
		DUE 05/21/2010	5.750%	5BBPUH5	SB 1,080,000.0000		383,684
11 041608	1,350,000.0000	MERCIR GROUP INC	EURO MEDIUM TERM NOTE	U12605AD00	85.23296H	1,150,644	
		DUE 05/13/2009	5.415%	5361424	SB 1,350,000.0000		517,790
- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	- - - - -	
TOT MU	2,003,276	OLD SMA	419,883-				
EQUITY	2,423,159	LIQ EQU	2,423,159	EQY X 100	HOUSE EXCESS	419,983- SMA CHANGE	
CSH AV	417,883	BUYING P	839,767	OTHER EXCESS		1,521,685 NEW HSE CALL	0
						2,137,569 NYSE OPT REQ	0

Symbol	Acct	Value	Rate	LBSP	Calc	Pg	66 of 89	MV (\$)
CIT	USD	(38,230)	11.16	(426,646.80)		1		(426,646.80)
MBI	USD	(216,000)	12.88	(2,782,080.00)		1		(2,782,080.00)
NEW	USD	(62,195)	26.22	(1,630,752.90)		1		(1,630,752.90)
NBDFF	USD	(19,062)	4.18115	(79,701.08)		1		(79,701.08)
RAS	USD	(47,000)	7.35	(345,450.00)		1		(345,450.00)
WFC	USD	(103,500)	39.8	(4,119,300.00)		1		(4,119,300.00)
WB	USD	(81,000)	18.75	(1,518,750.00)		1		(1,518,750.00)
WM	USD	(511,683)	4.25	(2,174,652.75)		1		(2,174,652.75)
912810PW2	USD	(27,000,000)	100.031	(27,008,370.00)		1		(27,008,370.00)
912828HZ6	USD	(5,400,000)	100.93	(5,450,220.00)		1		(5,450,220.00)
912828CA6	USD	(15,000,000)	104.75049	(15,712,573.50)		1		(15,712,573.50)
Type 5	USD	61,766,571.40		1	61,766,571.40		1	61,766,571.40
Net USD								518,074.37
CM	CAD	(10,420)	62.50493	(651,301.37)	0.95352472			(621,031.96)
NBDFF	CAD	(168,765)	4.38494	(740,024.40)	0.95352472			(705,631.56)
Type 5	CAD	1,369,131.05		1	1,369,131.05	0.95352472		1,305,500.30
Net CAD								(21,163.22)
Total USD Due Stonehill								496,911.15

EXHIBIT D FOR STONEHILL INSTITUTIONAL PARTNERS LP

Fund	LEHM A/C #	Month Expected	Internal ID	LEHM ID	Internal ID	CCY	Amount (k)	Notes	Record date	Description
Stonehill Institutional Partners LP	732-40126	September-08	GBP	GBP	GBP	63.00	INTEREST		9/21/2008	BRITISH POND STERLING
Stonehill Institutional Partners LP	732-40126	September-08	GBP	GBP	GBP	28.22	INTEREST		9/21/2008	BRITISH POND STERLING
Stonehill Institutional Partners LP	732-40126	September-08	NBDEF	2641441	USD	-18,123.30	DIVIDEND		9/17/2008	NORBORD INC
Stonehill Institutional Partners LP	732-40126	September-08	S252761	422660AD2	USD	141,300.79	DISTRIBUTION		9/22/2008	HECHINGER CO * IN DEFAULT* 6.95%00% 10/15/2003 422660AD2
Stonehill Institutional Partners LP	732-40126	September-08	S202553	422660AC4	USD	204,829.81	DISTRIBUTION		9/22/2008	HECHINGER CO SR DEBS 9.40%00% 11/15/2010 422660AC4
Stonehill Institutional Partners LP	732-40126	September-08	USD	1,326.39	INTEREST				9/15/2008	INTEREST ON CREDIT BALANCE FROM 09/13 THRU 09/15 @ 3.000% BAL 15916.659 ABAL 15916.659 INTEREST PAID FOR 1 DAY(S)
Stonehill Institutional Partners LP	732-40126	September-08	USD	132.5	INTEREST				9/22/2008	INTEREST ON CREDIT BALANCE FROM 08/29 THRU 09/02 @ 1.58% BAL 293.500 ABAL 293.450 INTEREST PAID FOR 1 DAY(S)
Stonehill Institutional Partners LP	732-40126	September-08	USD	142.87	INTEREST				9/22/2008	INTEREST ON CREDIT BALANCE FROM 08/22 THRU 08/28 @ 1.562% BAL 1032.331 ABAL 1032.610 INTEREST PAID FOR 6 DAY(S)
Stonehill Institutional Partners LP	732-40126	September-08	USD	215.48	INTEREST				9/16/2008	INTEREST ON CREDIT BALANCE FROM 09/04 THRU 09/16 @ 3.14% BAL 2346.825 ABAL 2346.825 INTEREST PAID FOR 1 DAY(S)
Stonehill Institutional Partners LP	732-40126	September-08	USD	95.46	INTEREST				9/17/2008	INTEREST ON CREDIT BALANCE FROM 09/03 THRU 09/11 @ 1.562% BAL 971.525 ABAL 971.525 INTEREST PAID FOR 6 DAY(S)
Stonehill Institutional Partners LP	732-40126	September-08	USD	-1,322.47	INTEREST				9/22/2008	INTEREST ON CREDIT BALANCE FROM 07/29 THRU 08/07 @ 7.78% BAL 310.193 ABAL 4139.916 INTEREST PAID FOR 6 DAY(S)
Stonehill Institutional Partners LP	732-40126	September-08	USD	-140.57	INTEREST				9/11/2008	INTEREST ON CREDIT BALANCE FROM 09/03 THRU 09/11 @ 2.812% BAL 343.749 ABAL 598.762 INTEREST CHARGED FOR 3 DAY(S)
Stonehill Institutional Partners LP	732-40126	September-08	USD	-16.36	INTEREST				9/18/2008	INTEREST ON CREDIT BALANCE FROM 08/29 THRU 09/18 @ 3.14% BAL 1820.18 ABAL 1789.564 INTEREST CHARGED FOR 3 DAY(S)
Stonehill Institutional Partners LP	732-40126	September-08	USD	-18.29	INTEREST				9/21/2008	INTEREST ON CREDIT BALANCE FROM 08/21 THRU 08/21 @ 3.24% BAL 652.918 ABAL 739.417 INTEREST CHARGED FOR 1 DAY(S)
Stonehill Institutional Partners LP	732-40126	September-08	USD	-543.93	INTEREST				9/17/2008	**LEHMAN BROTHERS US P. & LIQUIDITY FUND INSTL CL MONTHLY DIVIDENDS
Stonehill Institutional Partners LP	732-40126	September-08	USD	-63.65	INTEREST				9/14/2008	COUNTRYWIDE ASSET BK CERT SERIES 2006-2N CLASS A3 5.6270% 07/25/2037 126683DW3
Stonehill Institutional Partners LP	732-40126	September-08	USD	-90.36	INTEREST				9/21/2008	COUNTRYWIDE ASSET-BACKED CITS SERIES 2006-19 THRU 08/28 @ 2.78% BAL 1160.093 327.4 ABAL 821.749 INTEREST CHARGED FOR 3 DAY(S)
Stonehill Institutional Partners LP	732-40126	September-08	USD	-991.34	INTEREST				9/21/2008	COUNTRYWIDE ASSET-BACKED CITS SERIES 2006-19 THRU 09/21 @ 3.1% BAL 4009.735 ABAL 3965.356 INTEREST CHARGED FOR 1 DAY(S)
Stonehill Institutional Partners LP	732-40126	September-08	USD	50,335.78	INTEREST				9/21/2008	COUNTRYWIDE ASSET-BCK CERTI SERIES 2006-8T CLASS A3 5.5580% 04/15/2036 126683XAC3
Stonehill Institutional Partners LP	732-40126	September-08	USD	-103.39	INTEREST				9/21/2008	COUNTRYWIDE ASSET-BCK CERTI SERIES 2006-8T CLASS A3 5.5580% 04/15/2036 126683XAC3
Stonehill Institutional Partners LP	732-40126	September-08	BN13TKU2	USD	8,989.03	DIVIDEND			9/24/2008	CWIEQ HOME EQUITY LNTR SER 2006-S5 CLASS A3 5.6110% 06/27/2035 126683A35
Stonehill Institutional Partners LP	732-40126	September-08	USD	126684AC3	USD	22,537.70	INTEREST		8/29/2008	COUNTRYWIDE ASSET-BK CERT SERIES 2006-2N CLASS A3 5.6270% 07/25/2034 126684AC3
Stonehill Institutional Partners LP	732-40126	September-08	USD	41,257.42	PAYOUT				8/29/2008	COUNTRYWIDE ASSET-BACKED CITS SERIES 2006-S8 CLASS A3 5.5580% 04/15/2036 126684AC3
Stonehill Institutional Partners LP	732-40126	September-08	USD	36,002.80	INTEREST				8/29/2008	COUNTRYWIDE ASSET-BACKED CITS SERIES 2006-S8 CLASS A3 5.5580% 04/15/2036 126684AC3
Stonehill Institutional Partners LP	732-40126	September-08	USD	12,809.26	INTEREST				8/29/2008	COUNTRYWIDE ASSET-BCK CERTI SERIES 2006-8T CLASS A3 6.6930% 11/25/2035 126684VA7
Stonehill Institutional Partners LP	732-40126	September-08	USD	31,955.56	INTEREST				8/29/2008	CWIEQ HOME EQUITY LNTR SER 2006-S5 CLASS A3 5.6110% 06/27/2035 126684VA7
Stonehill Institutional Partners LP	732-40126	September-08	USD	11,840.15	INTEREST				8/29/2008	CWIEQ HOME EQUITY LNTR SER 2006-S5 CLASS A3 5.6110% 06/27/2037 126684DW3
Stonehill Institutional Partners LP	732-40126	September-08	USD	52,569.00	INTEREST				8/29/2008	CWIEQ HOME EQUITY LNTR SER 2006-S2-A3-VAR 5.8410% 07/25/2037 126684DX1
Stonehill Institutional Partners LP	732-40126	September-08	USD	73,100.12	PAYOUT				8/29/2008	CWIEQ HOME EQUITY LNTR SER 2006-S7-A1-VAR 2.5130% 11/25/2035 126684VA7
Stonehill Institutional Partners LP	732-40126	September-08	USD	4,690.72	INTEREST				9/24/2008	CWIEQ HOME EQUITY LNTR SER 2006-S1 CLASS A2 1.42688% 01/25/2036 126684VA7
Stonehill Institutional Partners LP	732-40126	September-08	USD	12,668.948	INTEREST				9/24/2008	CWIEQ HOME EQUITY LNTR SER 2006-S1 CLASS A2 1.42688% 01/25/2036 126684VA7
Stonehill Institutional Partners LP	732-40126	September-08	USD	38,456.75	INTEREST				9/29/2008	GNACM HOME EQUITY LNTR SER 2006-HE CLASS A3 5.5000% 10/25/2036 38012TA8B
Stonehill Institutional Partners LP	732-40126	September-08	USD	3,265.31	INTEREST				9/29/2008	GNACM HOME EQUITY LNTR SER 2006-HE CLASS A3 5.5000% 10/25/2036 38012TA8B
Stonehill Institutional Partners LP	732-40126	September-08	USD	19,030.32	INTEREST				9/29/2008	GNACM HOME EQUITY LNTR SER 2006-HE CLASS A3 5.5000% 10/25/2036 38012TA8B
Stonehill Institutional Partners LP	732-40126	September-08	USD	16,186.47	INTEREST				9/29/2008	GNACM HOME EQUITY LNTR SER 2006-HE CLASS A3 5.5000% 10/25/2036 38012TA8B
Stonehill Institutional Partners LP	732-40126	September-08	USD	11,186.53	INTEREST				9/29/2008	GNACM HOME EQUITY LNTR SER 2006-HE CLASS A3 5.5000% 10/25/2036 38012TA8B
Stonehill Institutional Partners LP	732-40126	September-08	USD	21,090.38	INTEREST				8/29/2008	GNACM HOME EQUITY LNTR SERIES 2007-2H2 CLASS A4 6.62400% 12/25/2037 36186LA87
Stonehill Institutional Partners LP	732-40126	September-08	USD	94,160.30	PAYOUT				9/24/2008	GNACM HOME EQUITY LNTR SERIES 2007-2H2 CLASS A4 6.62400% 12/25/2037 36186LA87
Stonehill Institutional Partners LP	732-40126	September-08	USD	9,734.86	INTEREST				9/24/2008	GNACM HOME EQUITY LNTR SERIES 2004-HE-A3-VAR 2.6810% 06/25/2034 36185GC7
Stonehill Institutional Partners LP	732-40126	September-08	USD	20,088.00	INTEREST				8/29/2008	GNACM HOME EQUITY LNTR SERIES 2004-HE-A3-VAR 2.6810% 06/25/2034 36185GC7
Stonehill Institutional Partners LP	732-40126	September-08	USD	10,723.49	INTEREST				8/29/2008	GNACM HOME EQUITY LNTR SERIES 2007-2H2 CLASS A4-VAR RATE DUE 10/25/2036 36186KAD7
Stonehill Institutional Partners LP	732-40126	September-08	USD	23,602.67	PAYOUT				8/31/2008	GNACM HOME EQUITY LNTR SERIES 2007-2H2 CLASS A4-VAR RATE DUE 10/25/2036 36186KAD7
Stonehill Institutional Partners LP	732-40126	September-08	USD	90,838.31	INTEREST				8/31/2008	PHI MORTGAGE TRUST SER 2007-SU1 CLASS TAGS 144A 6.6000% 12/25/2037 36186LA87
Stonehill Institutional Partners LP	732-40126	September-08	USD	15,168.82	FULL CALL				10/02/2008	PSINET INC SENIOR NOTES SER B- IN DEFAULT 10.0000% 01/25/2037 36186LA87
Stonehill Institutional Partners LP	732-40126	September-08	USD	95,690.00	PAYOUT				10/02/2008	PSINET INC SEN. IN FUND MTG SEC'S 11/01/2008 7.0000% 01/25/2036 101V7D0
Stonehill Institutional Partners LP	732-40126	September-08	USD	126,771.26	FULL CALL				10/02/2008	RESIDENTIAL FUND MTG SEC'S 11/01/2008 7.0000% 01/25/2035 161V0S2Q
Stonehill Institutional Partners LP	732-40126	September-08	USD	161,099.00	DIVIDEND				10/02/2008	RESIDENTIAL FUND MTG SEC'S 11/01/2008 7.0000% 01/25/2035 161V0S2Q
Stonehill Institutional Partners LP	732-40126	September-08	USD	147,031.25	INTEREST				10/02/2008	NORTHWESTERN CORP NEW
Stonehill Institutional Partners LP	732-40126	September-08	USD	35,640.00	DISTRIBUTION				9/30/2008	STANDARD PACIFIC CORP CPT SENIOR NOTES 1.0000% 10/01/2012 83376A83
Stonehill Institutional Partners LP	732-40126	September-08	USD	12,652.50	INTEREST				9/30/2008	WOLVERINE TUBE INC SENIOR NOTES SER B- 0.5000% 04/01/2009 978091AE2
Stonehill Institutional Partners LP	732-40126	September-08	USD	67,500.60	INTEREST				10/02/2008	PSINET INC SENIOR NOTES SER B- IN DEFAULT 10.0000% 01/25/2005 74437CAG6
Stonehill Institutional Partners LP	732-40126	September-08	USD	144,365.16	FULL CALL				10/02/2008	DELTA AIR LINES INC PASS THRU CTF SER 1993-A CL A 9.8750% 06/25/2035 126683AB7
Stonehill Institutional Partners LP	732-40126	September-08	USD	126,771.26	FULL CALL				10/23/2008	DELTA AIR LINES INC PASS THRU CTF SER 1993-A CL A 9.8750% 06/25/2038 247167AE3
Stonehill Institutional Partners LP	732-40126	September-08	USD	161,099.00	INTEREST				9/30/2008	COUNTRYWIDE ASSET-BACKED CTF SERIES 2006-S2 CLASS A3 5.5500% 04/25/2036 126683AC9
Stonehill Institutional Partners LP	732-40126	September-08	USD	12,658.948	INTEREST				9/30/2008	ENRON CORP DEB 0.97000% 12/31/2049 127210493
Stonehill Institutional Partners LP	732-40126	September-08	USD	400651989	DISTRIBUTION				10/22/2008	ESCRW GUAQDONG INT'L & INV 144A 7.5000% 12/31/2049 127210496
Stonehill Institutional Partners LP	732-40126	September-08	USD	6,783.06	INTEREST				10/23/2008	PSINET INC SENIOR NOTES SER B- IN DEFAULT 10.0000% 01/25/2005 126683AB7
Stonehill Institutional Partners LP	732-40126	September-08	USD	21,380.09	PAYOUT				10/23/2008	CWIEQ HOME EQUITY LNTR SER 2006-S2 CLASS A3 5.5500% 04/25/2036 126683DW3
Stonehill Institutional Partners LP	732-40126	September-08	USD	45,062.91	INTEREST				9/30/2008	PSINET INC SENIOR NOTES SER B- IN DEFAULT 10.0000% 01/25/2005 126683DX1
Stonehill Institutional Partners LP	732-40126	September-08	USD	35,809.15	INTEREST				9/30/2008	CWIEQ HOME EQUITY LNTR SER 2006-S2 CLASS A3 5.5500% 04/25/2036 126683XAC9
Stonehill Institutional Partners LP	732-40126	September-08	USD	12,899.25	INTEREST				9/30/2008	PSINET INC SEN. IN FUND MTG SEC'S 11/01/2008 7.0000% 01/25/2035 126683XAC9
Stonehill Institutional Partners LP	732-40126	September-08	USD	31,935.63	INTEREST				9/30/2008	CWIEQ HOME EQUITY LNTR SER 2006-S2 CLASS A3 5.5500% 04/25/2036 126683XAC9
Stonehill Institutional Partners LP	732-40126	September-08	USD	11,340.15	INTEREST				9/30/2008	CWIEQ HOME EQUITY LNTR SER 2006-S2 CLASS A3 5.5500% 04/25/2036 126683XAC9
Stonehill Institutional Partners LP	732-40126	September-08	USD	52,569.00	INTEREST				9/30/2008	PSINET INC SENIOR NOTES SER B- IN DEFAULT 10.0000% 01/25/2005 126683AB7
Stonehill Institutional Partners LP	732-40126	September-08	USD	38,436.72	INTEREST				9/30/2008	CWIEQ HOME EQUITY LNTR SER 2006-S2 CLASS A3 5.5500% 04/25/2036 126683DX1
Stonehill Institutional Partners LP	732-40126	September-08	USD	22,344.71	INTEREST				9/30/2008	GNACM HOME EQUITY LNTR SERIES 2007-HE CLASS A3 6.5400% 12/25/2037 36186LA89
Stonehill Institutional Partners LP	732-40126	September-08	USD	51,339.47	INTEREST				9/30/2008	GNACM HOME EQUITY LNTR SERIES 2007-HE CLASS A3 6.5400% 12/25/2037 36186LA89

EXHIBIT D FOR STONEHILL INSTITUTIONAL PARTNERS LP

Stonehill Institutional Partners LP	732-40126	October-08	5BBQUTZ9	361861ADS	USD 114,186.59	INTEREST	9/30/2008	GMACM HOME EQUITY LNT TR SERIES 2007-H2 CLASS A4 6.42400% 12/25/2037 361861ADS
Stonehill Institutional Partners LP	732-40126	October-08	5BBQUTY6	361861AGR	USD 21,090.38	INTEREST	9/30/2008	GMACM HOME EQUITY LNT TR SERIES 2007-H2 CLASS A6 6.324900% 12/25/2037 361861AGR
Stonehill Institutional Partners LP	732-40126	October-08	5BBKVKY8	361861KAD7	USD 20,088.00	INTEREST	9/30/2008	GMACM HOME EQUITY LOAN TRUST MTGPO SERIES 2007-H2 E A-4 VAR RATE DUE 10/25/2036 6.038 REG INT ON 2025/2000 BND REC 09/30/08 PAY 10/25/08
Stonehill Institutional Partners LP	732-40126	October-08	5141557	380127AD4	USD 10,273.50	INTEREST	9/30/2008	GMACM HOME EQUITY LOAN TRUST MTGPO SERIES 2006-HE3 A-4 VAR RATE DUE 10/25/2036 6.038 REG INT ON 2025/2000 BND REC 09/30/08 PAY 10/25/08
Stonehill Institutional Partners LP	732-40126	October-08	5BCLL1CO	693337YAE4	USD 342,592.55	PAYOUT	9/30/2008	PIH MORTGAGE TRUST SER 2007-SLI CLASS 1A4A 6.60000% 12/25/2027 19337YAE4
Stonehill Institutional Partners LP	732-40126	October-08	5BCLL1CO	693337YAB4	USD 89,560.26	INTEREST	9/30/2008	PIH MORTGAGE TRUST SER 2007-SLI CLASS 1A4A 6.60000% 12/25/2027 19337YAE4
Stonehill Institutional Partners LP	732-40126	October-08	5106641	7610YTD0	USD 15,172.14	INTEREST	9/30/2008	RESIDENTIAL FGD MTG SECS II IN SERIES 2006-HSAL CLASS A-2 5.19000% 02/25/2036 7610YTD0
Stonehill Institutional Partners LP	732-40126	October-08	5BBNBTG6	5512651AAN1	USD 88,150.56	INTEREST	10/27/2008	MAC CAPITAL LTD TO SER 2007-1 CL B-1 14.400% 7/16/2013
Stonehill Institutional Partners LP	732-40126	October-08	5204979	247361VMT	USD 35,820.13	INTEREST	10/24/2008	DELTA AIR LINES INC DEL EQUIP TR CTF SER 1980 D 10/30/000% 03/26/2006 247361VMT
Stonehill Institutional Partners LP	732-40126	October-08	5649514	247361VU9	USD 15,336.71	INTEREST	10/24/2008	DELTA AIR LINES INC DEL EQUIP TR CTF SER 1980 D 10/30/000% 03/26/2009 247361VU9
Stonehill Institutional Partners LP	732-40126	October-08	5084588	247361VU9	USD 24,533.86	INTEREST	10/24/2008	DELTA AIR LINES INC DEL EQUIPMENT TRUST CTF SER 1990 B 10/79000% 03/26/2014 247361VU9
Stonehill Institutional Partners LP	732-40126	October-08	5451783	247361VW5	USD 30,102.19	INTEREST	10/24/2008	DELTA AIRLINES INC DEL EQUIP TR CTF SER 1990 D 10/79000% 03/26/2014 247361VW5
Stonehill Institutional Partners LP	732-40126	October-08	M0170061	55391IM202	USD 13,180.81	INTEREST	10/29/2008	MAC CAPITAL LLC COMBINATION SEC'S MEMBERSHIP
Stonehill Institutional Partners LP	732-40126	October-08	M0170061	55391IM202	USD 24,1366.99	INTEREST	10/29/2008	MAC CAPITAL LLC COMBINATION SEC'S MEMBERSHIP
Stonehill Institutional Partners LP	732-40126	October-08	DAL	USD 6,63	CASH IN LIEU	10/31/2008	DELTA AIR LINES INC DEL COM NEW	
Stonehill Institutional Partners LP	732-40126	November-08	XS09282003420	GBP 132,174.93	INTEREST	10/21/2008	LUXFER HOLDINGS PLC 11.813100% 02/06/2012 55699NAD0	
Stonehill Institutional Partners LP	732-40126	November-08	5341424	EUR 18,681.13	INTEREST	11/14/2008	CIT GROUP INC EURO MEDIUM TERM NOTE 5 02030% 5/13/2009 012605AD0	
Stonehill Institutional Partners LP	732-40126	November-08	5446109	U29302A16	USD 12,200.65	REDEMPTION	10/28/2008	ENRON CORP 0.77000% 12/5/2049 U29302A16
Stonehill Institutional Partners LP	732-40126	November-08	5272707	XS0103129771	USD 9,425.83	PAYOUT	10/29/2008	PSINET INC EURO SERIES 10.50000% 12/01/2006
Stonehill Institutional Partners LP	732-40126	November-08	5253649	693163VAD9	USD 8,229.57	PAYOUT	10/29/2008	PSINET INC SER EUR SR NOTES "IN DEF AULT" 11.00000% 08/01/2009 693163VAD9
Stonehill Institutional Partners LP	732-40126	November-08	5BBGFL9	CA310472BMO1	CAD 177,104.17	INTEREST	11/12/2008	GENERAL MOTORS ACCEPTANCE CORP OF CANADA LTD 4.72143% 05/02/2009 370472ZDM0
Stonehill Institutional Partners LP	732-40126	October-08	5143662	1266844AC3	USD 22,532.99	INTEREST	10/27/2008	COUNTRYWIDE ASSET BK CERT SERIES 2006-BN CLASS A3 5.65800% 03/25/2034 124654AC3
Stonehill Institutional Partners LP	732-40126	December-08	5216345	XS2605AB4	GBP 22,192.00	INTEREST	12/01/2008	CITI GROUP INC EURO MEDIUM TERM NOTE 12/50 12/15/2008
Stonehill Institutional Partners LP	732-40126	December-08	53151750	XS0202220264	GBP 196,775.00	INTEREST	12/12/2008	MAC INTL FINANCE BY EURO MEDIUM TERM NOTE R3ND 2.25 12/15/2008
Stonehill Institutional Partners LP	732-40126	December-08	52559839	761118A76	USD 430,475.00	INTEREST	12/29/2008	RESIDENTIAL CAP CORP NT 6.775% 10.8.775% 06/30/2010 761118A76
Stonehill Institutional Partners LP	732-40126	December-08	5159539	CA310472BMO1	USD 833,248.88	TENDER PAYMENT	12/21/2008	RESIDENTIAL CAP CORP NT 6.775% 10.8.775% 06/30/2010 761118A76
Stonehill Institutional Partners LP	732-40126	December-08	5211345	U117605A84	GBP 897,900.00	MATURITY	12/15/2008	CIT GROUP INC EURO MEDIUM TERM NOTE R3ND 5.50 12/15/2008
Stonehill Institutional Partners LP	732-40126	December-08	55151750	XS0202220264	GBP 3,150,000.00	GMAC INTL FINANCE BY EURO MEDIUM TERM NOTE R3ND 6.25 12/15/2008		
Stonehill Institutional Partners LP	732-40126	January-09	5862SLJ0	XS0294277396	USD 131,570.23	DISTRIBUTION	12/27/2008	VICTORIA STANFIELD EURO MEDIUM TERM NOTE R3ND 4.8335% 03/26/2008 04439CNA0
Stonehill Institutional Partners LP	732-40126	January-09	5862SLJ0	XS0294277396	USD 7,163.36	DISTRIBUTION	1/6/2008	VICTORIA STANFIELD EURO MEDIUM TERM NOTE R3ND 4.8335% 03/26/2008 04439CNA0
Stonehill Institutional Partners LP	732-40126	October-08	5191153	247361VKT1	USD 29,276.65	INTEREST	10/24/2008	DELTA AIR LINES INC DEL 144A 10.33% 03/26/2006 247361VKT1
Stonehill Institutional Partners LP	732-40126	January-09	55351558	400651L9A1	USD 60,940.09	DISTRIBUTION	10/22/2008	ESCROW QUANDONG INT'L TR & INVT 144A -IN DEFALUT 6.25% 11/15/2009 400651L9A1
Stonehill Institutional Partners LP	732-40126	January-09	5162134	98141AAD3	USD 7,661.09	DISTRIBUTION	10/22/2008	WORLD ACCESS INC DTD 12/08/1999 13.250% 01/15/2008 CALLABLE IN DEFAULT
Stonehill Institutional Partners LP	732-40126	January-09	5162134	98141AAD3	USD 212,399.75	DISTRIBUTION	10/22/2008	WORLD ACCESS INC DTD 12/08/1999 13.250% 01/15/2008 CALLABLE IN DEFAULT
Running Total								
USD	6,291,314.60							
GBP	4,308,677.21							
EUR	18,681.13							
CAD	177,404.17							

SI EXHIBIT E
STONEHILL INSTITUTIONAL PARTNERS LP
WIRES ON PRIVATE INSTRUMENTS THAT WERE MISDIRECTED TO LBI

ACCOUNT	CURRENCY	AMOUNT	DATE	DESCRIPTION
732-40126	EUR	51,025.28	9/8/2008	Damovo wire from BNY Mellon
732-40126	USD	110,799.31	9/11/2008	Gitic wire from Bank of America
732-40126	USD	37,339.32	9/19/2008	WCI Bank Debt wire from Bank of America
732-40126	USD	551.62	10/1/2008	Capmark wire from Citibank
732-40126	USD	4,216.67	11/28/2008	Murray Energy wire from Goldman Sachs
732-40126	USD	46,587.48	11/28/2008	Murray Energy wire from Goldman Sachs
732-40126	USD	19,592.96	12/31/2008	Entegra 2nd Lien Wire from Lehman CP

			CURRENT	
			EXCH	
			RATE	
TOTAL	EUR	51,025.28	1.35	68,731.05
TOTAL	USD	219,087.36	1.00	219,087.36
TOTAL	AS CONVERTED			287,818.41 a)

a) Note: Currencies are converted to USD only for the purpose of tallying a rough dollar amount due. Stonehill is not aware of the LBI estate's policies regarding converting foreign wires, the date used for conversion, or whether foreign wires will be delivered in original currency.

SI Exhibit F

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For the period 08/30/2008 to 09/30/2008
**STONEHILL INSTITUTIONAL
 PARTNERS LP**

Monthly Activity (1)
 (Continued)

<u>MOVEMENTS OF FUNDS</u>	<u>Settlement Date</u>	<u>Transaction</u>	<u>Description</u>	<u>Amount</u>
	09/12/2008		TFR TO ACCT 732-40125-1	(166,163.22)
	09/12/2008		FRM CMDY TO STK	1,853,105.73
	09/12/2008		INWIRE RF# 021000021 JERSEY CITY NJ	4,820,000.00
	09/12/2008		INWIRE RF# 021000021 JERSEY CITY NJ	4,430,000.00
	09/12/2008		REF # 9N41338	4,990.67
	09/15/2008		INWIRE RF#0217826 0008 DMAN SACHS CO ATT BANK RECO STONEHILL INSTITUTIONAL PARTN	8,724.16
	09/15/2008		INWIRE RF# 021000021 HOUSTON TX 77002 1111 SANINN ST 10TH FLOOR	17,602.82
	09/15/2008	PAID BY WIRE	WIRE PAYMENT TD 09/12/08 SD	(103,000,000.00)
	09/16/2008		INWIRE RF#0311337 0008 (02) NORTHWEST AIRLINES 66727 CITIUS33	240,545.45
	09/16/2008		TFR TO ACCT 732-41223-2	(2,178,724.46)
	09/16/2008	PAID BY WIRE	WIRE PAYMENT TD 09/16/08 SD	(12,000,000.00)
	09/17/2008		TFR TO ACCT 732-41223-1 REF # 9N44323	(4,500,000.00) (919,994.61)
	09/17/2008			

LEHMAN BROTHERS

SI Exhibit 6
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For the period 08/01/2008 to 08/29/2008
 STONEHILL INSTITUTIONAL
 PARTNERS LP

Monthly Activity

(Continued)

Base Currency : USD
 Account Number : 73240126 H81

PURCHASES & SALES	Settlement Date	Transaction	Quantity	Description	Price	Amount
				UNSUBMITTED		
				TMS0870670870202519TMS		
				PLUS 406.62 COMM		
08/11/2008	SOLD SHORT		270,000	***BARRATT DEVELOPMENTS PLC	2.2065	595,157.31
				AVERAGE PRICE		
				UNSUBMITTED		
				SHORT.		
				TMS-REF200808060073761		
				TMS0870670870073761TMS		
				305,569.29 GBP TOTAL		
08/11/2008	SOLD SHORT		270,000	***BARRATT DEVELOPMENTS PLC	2.2065	595,157.31
				AVERAGE PRICE		
				UNSUBMITTED		
				SHORT.		
				TMS-REF2008110131089		
				TMS0871170870131089TMS		
				305,569.29 GBP TOTAL		
08/12/2008	SOLD		1,830	ALLIANCE DATA SYSTEM CORP	64.5610	118,109.36
				UNSUBMITTED		
				TMS0870770870182498TMS		
				LESS 36.60 COMM 0.67 FEE		
08/12/2008	BOUGHT		17,550	ACACIA RESEARCH - ACACIA	4.1589	(73,515.20)
				TECHNOLOGIES		
				UNSUBMITTED		
				TMS0870770870176162TMS		
				PLUS 526.50 COMM		
08/12/2008	BOUGHT		4,000,000	***MAC CAPITAL LLC	.3275	(1,310,000.00)
				COMBINATION SEC'S MEMBERSHIP		
				INT		
				UNSUBMITTED		
				TMS0871170870044490TMS		
				PLUS 0.00 COMM		
				CHARGED BY CHSE		

LEHMAN BROTHERS INC
TRADE CONFIRMATION

To: Stonehill Institutional Partners, L.P.
Contact: Steve Nelson
Tel No.: 212-739-7470
Fax No.: 212-838-2291
Email: snelson@stonehillcap.com

From: Lehman Brothers Inc.
Contact: Denise Rosselli
Tel No.: 212-526-1490
Fax No.: 646-758-4993
Email: drrossell@lehman.com

Trade Confirmations: Jessica Markowitz
Tel. No.: 212-526-1490
Fax No.: 646-758-4993
Email: Jessica.markowitz@lehman.com

We are pleased to confirm the following transaction (the "Transaction"):

Trade Date: March 27, 2008
Seller: Stonehill Institutional Partners, L.P., as Principal
Buyer: Lehman Brothers Inc., as Principal
Issuer: US Power Generating Company
Quantity: 6,400 Class A Shares Issued under Certificate of Incorporation (as amended or amended and restated from time to time, the Certificate of Incorporation") of US Power Generating Company, a Delaware corporation
Purchase Price: \$28.00 per Unit

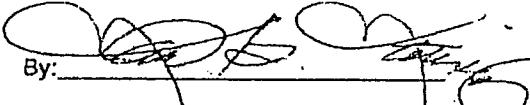
Other terms:

1. Buyer and Seller agree that the Transaction shall be subject to the transfer requirements set forth in the Certificate of Incorporation; it being understood and agreed that Buyer shall cooperate in all reasonable respects with Seller to cause the Transaction to satisfy such requirements;
2. Buyer and Seller agree to execute and deliver any necessary documentation required pursuant the Certificate of Incorporation (the "Certificate") or by counsel to the Issuer (including, without limitation, in the case of Buyer, a Rule 144A Certificate, Regulatory Certificate and if applicable, a Confidentiality Agreement and, in the case of both parties, a NASD Transfer Form and Letter Agreement with respect to Section 1(b)(l) of Article Five of the Certificate), in order to effect the Transaction.
3. All dividends, payments or any other distributions made on or after the Trade Date are for the Buyer's account.

Please provide the signature of a duly authorized signatory where indicated below and return this letter to the attention of **Jessica Markowitz** at the following e-mail address: Jessica.markowitz@lehman.com.

If you have any questions, please contact **Jessica Markowitz** at 212-526-7598.

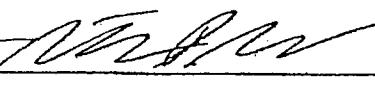
LEHMAN BROTHERS INC.

By: 

Name: MARTHA G. MARTINEZ
Title: AUTHORIZED SIGNATORY

Date: _____

Stonehill Institutional Partners, L.P.

By: 

Name: Steven D. Nelson

Title: CFO

Date: 4/3/08

LEHMAN BROTHERS INC
TRADE CONFIRMATION

To: Stonehill Offshore Partners Limited
Contact: Steve Nelson
Tel No.: 212-739-7470
Fax No.: 212-838-2291
Email: snelson@stonehillcap.com

From: Lehman Brothers Inc.
Contact: Denise Rosselli
Tel No.: 212-526-1490
Fax No.: 646-758-4993
Email: drossell@lehman.com

Trade Confirmations: Jessica Markowitz
Tel. No.: 212-526-1490
Fax No.: 646-758-4993
Email: Jessica.markowitz@lehman.com

We are pleased to confirm the following transaction (the "Transaction"):

Trade Date: March 27, 2008
Seller: Stonehill Offshore Partners Limited, as Principal
Buyer: Lehman Brothers Inc., as Principal
Issuer: US Power Generating Company
Quantity 8,730 Class A Shares issued under Certificate of Incorporation (as amended or amended and restated from time to time, the "Certificate of Incorporation") of US Power Generating Company, a Delaware corporation
Purchase Price: \$28.00 per Unit

Other terms:

1. Buyer and Seller agree that the Transaction shall be subject to the transfer requirements set forth in the Certificate of Incorporation; it being understood and agreed that Buyer shall cooperate in all reasonable respects with Seller to cause the Transaction to satisfy such requirements;
2. Buyer and Seller agree to execute and deliver any necessary documentation required pursuant the Certificate of Incorporation (the "Certificate") or by counsel to the Issuer (including, without limitation, in the case of Buyer, a Rule 144A Certificate, Regulatory Certificate and if applicable, a Confidentiality Agreement and, in the case of both parties, a NASD Transfer Form and Letter Agreement with respect to Section 1(b)(1) of Article Five of the Certificate), in order to effect the Transaction.
3. All dividends, payments or any other distributions made on or after the Trade Date are for the Buyer's account.

Please provide the signature of a duly authorized signatory where indicated below and return this letter to the attention of **Jessica Markowitz** at the following e-mail address: Jessica.markowitz@lehman.com.

If you have any questions, please contact **Jessica Markowitz** at 212-526-7598.

2

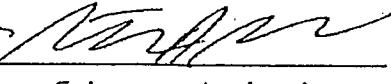
LEHMAN BROTHERS INC.

By: 

Name: MARTHA G. MARTINEZ
Title: AUTHORIZED SIGNATORY

Date: _____

Stonehill Offshore Partners Limited

By: 

Name: Steven D. Nelson
Title: CFO
Date: 4/2/08

MARGIN SUMMARY
COB
9-19-08

Page 1 of 3

~~9/10/08 POSITION STATEMENT PARTNERSHIP COB 9-19-08~~

<u>TOTAL COLLATERAL</u>	
TOTAL LMV TYPE 1 LONG POSITIONS (ELIGIBLE FOR DELIVERY)	0.00
TOTAL LMV TYPE 2 LONG POSITIONS (ELIGIBLE FOR DELIVERY)	0.00
TYPE 1 CREDIT BALANCE	0.00
 <u>TOTAL EXPOSURES</u>	
TOTAL MKT VALUE TYPE 1 SHORT POSITION	423,640.00
 <u>TOTAL EXPOSURES</u>	
TOTAL MKT VALUE TYPE 1 SHORT POSITION	423,640.00
 <u>TOTAL VALUE OF POSITIONS AVAILABLE FOR DELIVERY</u>	
TOTAL CASH VALUE AVAILABLE FOR PAYMENT	0.00
	0.00

← 118,619.20
if copy is
not legible

**Note: Proceeds generated from the close out of shorts will result in a cash in lieu claim

Page 2 of 3

TYPE 1
SHORT POSITION

Acct Num Acct Type TD Pos SD Pos
94086715 01 -15,130

Symbol CUSIP Coupon Maturity Date CCY Mkt. Price CCY Mkt. Value USD Mkt. Value House Req.(USD)
NULL XXSN365911 0 0 0 0 127,002
Status REST

Page 3 of 3

		MARGIN ACTIVITY STATEMENTS		09/19/08		PAGE 220574	
		CURR-CODE: 000					
BBR56		CLIENT 012	RR: 945 STOREHILL INST PARTN				
940-86785		BALANCES -					
TC	15	OPEN T/D BAL	CLOSE T/D BAL				
		305,020.80-	305,020.80-				
NO ACTIVITY		ACTIVITY					
NO ACTIVITY FOR THIS ACCOUNT							
- POSITIONS -		- SECURITY DESCRIPTION					
TC	LDA	LONG/SHORT(-)	US POWER GENERATING COMPANY	CUSIP/SEC	PRICE	MARGIN VALUE	MARGIN REQUIREMENT
15	020209	15,130.0000-	US POWER GENERATING COMPANY	XJ9N385810	0.000000	0	127,092.0000
FROZEN FUNDS		423,640.00-		9N385811			
TOT INV		-T O T A L S -					
EQUITY		423,640- OLD SMA					
CSH AV		118,619- LIQ EQU	118,619- EQU %	SMA		0 SMA CHANGE	
		0 BUYING P	0	0		0 NEW HSE CALL	0
						0 NYSE OPT REQ	0

SI Exhibit H(c)

7
1<GO>DEL 2<GO>REPLY 3<GO>FWD 11<GO>NEXT 12<GO>PREV 99<GO>OPTIONS

EquityMSG

1/23 8:50:20

Page 1 / 2

From: •JAY COYLE (MERRILL LYNCH/NY,WFC)

Subject: PROJECT ENERGY BANK DEBT



No Attachments

FIRST DAY AT BANK OF AMERICA

Cell: (917)699-9191

ENERGY PROJECT BANK DEBT

ANP TL A	92	-	94	3x3	LA PALOMA 1ST	71	-	73 $\frac{1}{2}$	3x
ANP TL B	89	-	91	3x3	LA PALOMA 2ND	59	-	63	2x2
BOSTON GEN 1ST	62 $\frac{1}{4}$	-	64 $\frac{1}{4}$	5x3	LIBERTY ELEC 1ST	75	-	80	
BOSTON GEN 2ND	26 $\frac{1}{2}$	-	31 $\frac{1}{2}$	2x2	LIBERTY ELEC MEZZ	50	-	55	
BOSTON GEN MEZZ	7	-	12	2x2	LONGVIEW STRIP	70	-	72	P/B
US POWER EQUITY	6.00	-	7.50	50kx75k	MACHGEN 2ND	60	-	62	3x3
BOSQUE TERM	65	-	70	3x	MACHGEN UNITS	90	-	130	5kx5k
ENTEGRA 2ND LIEN	71	-	72 $\frac{1}{2}$	3x3	TENASKA 1ST	88	-	90	
ENTEGRA 3RD LIEN	33	-	35	3x3	TENASKA 2NDS	62	-	65	2x2
ENTEGRA EQUITY	3.00	-	4.00	75x75	ASTORIA 1ST	84 $\frac{1}{2}$	-	86	
KELSON 1ST	78	-	81	3x2	ASTORIA 2NDS	71	-	74	P/S
KELSON 2ND	47 $\frac{1}{2}$	-	51 $\frac{1}{2}$	5x5					
KELSON MEZZ	27	-	37						

SI Exhibit I

(A-40 - Institutional LBSF) Pg 81 of 89

Unsettled Zarlink Trades

↓							
8/15/2008	Total Qty	Off	SI		Total Cost	Off	SI
Original trade	55,000	25,300	29,700		41,402.00	19,045.00	22,357.00
Unsettled	14,000	6,440	7,560		10,539	4,847.82	5,690.87
	25.45%				25.45%		
Corrected	41,000	18,860	22,140		30,863	14,197.18	16,666.13
8/20/2008							
Original trade	60,500	27,830	32,670		46,029	21,173.00	24,856.00
Unsettled	45,500	20,930	24,570		34,617	15,923.50	18,693.36
	75.21%				75.21%		
Corrected	15,000	6,900	8,100		11,412	5,249.50	6,162.64
Pre-adj	7,654,640	5,490,156	2,164,484		5,663,502.66	3,974,221.71	1,689,280.95
Adjustments		(27,370)	(32,130)			(20,771.31)	(24,384.23)
New	7,595,140	5,462,786	2,132,354		5,618,347.12	3,953,450.40	1,664,896.72
Cash Adj on unsettled	CAD		↓	Rate	USD		
8/15/2008	11,193.00	5,148.78	6,044.22	0.94154			
8/20/2008	36,818.60	16,936.56	19,882.04	0.94020			
Claim on Exhibit I	48,011.60	22,085.34	25,926.26				
CUSIP # 989139100							

Stonehill Institutional Exhibit J

FX Forward Adj

9/19/2008

		Institutional					
FX	Due Date	Qty	Cost	Price	FMV	Unrealized	
CAD	5/26/09	(6,650,000)	(6,443,798.45)	0.9510046	(6,324,180.74)	119,617.71	
CAD	5/26/09	(6,480,000)	(6,309,332.55)	0.9510046	(6,162,509.95)	146,822.60	
CHF	12/29/08	(19,000,000)	(18,399,264.03)	0.9103138	(17,295,962.04)	1,103,301.99	
Euro	12/29/08	(9,000,000)	(13,641,480.00)	1.4439997	(12,995,997.30)	645,482.70	
Euro	6/24/09	(4,114,500)	(6,321,929.25)	1.4326946	(5,894,821.93)	427,107.32	
GBP	9/22/08	(3,900,000)	(7,704,450.00)	1.8357450	(7,159,405.50)	545,044.50	
GBP	12/22/08	(6,000,000)	(11,831,400.00)	1.8262393	(10,957,435.80)	873,964.20	
GBP	3/26/09	(3,000,000)	(5,787,600.00)	1.8152082	(5,445,624.60)	341,975.40	
GBP	6/24/09	(6,000,000)	(11,552,700.00)	1.8061452	(10,836,871.20)	715,828.80	
		(87,991,954.28)	(83,072,809.06)	4,919,145.22			
				TOTAL		4,919,145.22	

LEHMAN BROTHERS INC
 745 7TH AVE
 NY 10019

Exhibit J
 page 2 of 3

**FUTURES/FOREIGN EXCHANGE
 CONFIRMATION**

STONEHILL INSTITUTIONAL PART LP
 885 THIRD AVE, 30TH FLR
 NEW YORK, NY 10022-4834

SEP 22, 2008	
IR NUMBER	ACCOUNT
099	23040126
Page 2	

US NON-SEGREGATED ACCOUNT

FOREIGN EXCHANGE OPEN POSITIONS

Date	B/S	Base Currency	Maturity	Currency Pair	Counter Amount	Rate	Net Present Value
					Total FX Long Option value		OCR* USD
					Total FX Short Option Value		OCR* USD
					Net FX Option Value		OCR* USD

Curr	Notional	USD Equivalent	Delta Notional	Delta USD Equiv
EUR	13,114,500.00DB	18,890,819.23DB	13,114,500.00DB	18,890,819.23DB
GBP	15,000,000.00DB	27,239,931.60DB	15,000,000.00DB	27,239,931.60DB
CAD	13,130,000.00DB	12,486,690.69DB	13,130,000.00DB	12,486,690.69DB
CHF	19,000,000.00DB	17,295,962.04DB	19,000,000.00DB	17,295,962.04DB
Sum of the Absolute Values:	75,913,403.56			75,913,403.56

MARGIN REQUIREMENT SUMMARY

Margin Requirement	Initial	Equity	Margin
--------------------	---------	--------	--------

IBP	OCR	3,900,000.00DB	3,900,000.00DB
PY	CR	CR	CR
SD	3,738,916.79DB	7,704,450.00CR	3,965,533.21CR

Total Value in Base Currency

SD	3,738,916.79DB	545,044.50CR	3,193,872.29DB
----	----------------	--------------	----------------

Account	Unrealized G/L on Futures	Value Summary	Net Present Value on Forwards	Net Option Value	Collateral Market Value	Net Liquidating Value
BP	3,900,000.00DB	OCR	OCR	OCR	0CR	3,900,000.00DB
PY	CR	CR	CR	CR	CR	CR
SD	7,704,450.00CR	0CR	4,311,956.94CR	0CR	0CR	12,016,406.94CR

Total Value in Base Currency

SD	545,044.50CR	0CR	4,311,956.94CR	0CR	0CR	4,857,001.44CR
----	--------------	-----	----------------	-----	-----	----------------

CURRENCY CONVERSION RATES

Base Currency - USD

POUND STG	GBP	1.8357450
J YEN	JPY	107.0700000

LEHMAN BROTHERS INC
 745 7TH AVE
 NY 10019

Exhibit J
 page 3 of 3

**FUTURES/FOREIGN EXCHANGE
 CONFIRMATION**

STONEHILL INSTITUTIONAL PART LP
 885 THIRD AVE, 30TH FLR
 NEW YORK, NY 10022-4834

SEP 22, 2008	
IR NUMBER	ACCOUNT
099	23040126
Page 1	

US NON-SEGREGATED ACCOUNT

- - - - - OPENING ACCOUNT BALANCES - - - - -

POUND STG	0CR
J YEN	CR
JS DOLLAR	0CR

- - - - - FOREIGN EXCHANGE SETTLEMENTS - - - - -

Date B/S	Base Currency	Maturity	Currency Pair	Counter Amount	Rate	Net Present Value
9/18/07 S	3,900,000.00DB	22SEP08	GBP/USD	7,704,450.00CR	TYPE 1.9755000	

The settlement amounts shown below are reflected in the closing cash balance for each currency.

- - - - - CLOSING ACCOUNT BALANCES - - - - -

POUND STG	3,900,000.00DB*
YEN	CR*
JS DOLLAR	7,704,450.00CR*

- - - - - FOREIGN EXCHANGE OPEN POSITIONS - - - - -

Date B/S	Base Currency	Maturity	Currency Pair	Counter Amount	Rate	Net Present Value
3/24/08 S	9,000,000.00DB	29DEC08	EUR/USD	13,641,480.00CR	TYPE 1.5157200	639,862.62CR USD
				Net Present Value		639,862.62CR* USD
				Undiscounted MTM	1.4439997 ✓ 645,482.70CR* USD	
6/20/08 S	4,114,500.00DB	24JUN08	EUR/USD	6,321,929.25CR	TYPE 1.5365000	416,651.54CR USD
				Net Present Value		416,651.54CR* USD
				Undiscounted MTM	1.4326946 ✓ 427,107.32CR* USD	
2/19/07 S	6,000,000.00DB	22DEC08	GBP/USD	11,831,400.00CR	TYPE 1.9719000	866,930.35CR USD
				Net Present Value		866,930.35CR* USD
				Undiscounted MTM	1.8282393 ✓ 873,964.20CR* USD	
3/24/08 S	3,000,000.00DB	26MAR09	GBP/USD	5,787,600.00CR	TYPE 1.9292000	336,014.78CR USD
				Net Present Value		336,014.78CR* USD
				Undiscounted MTM	1.8152082 ✓ 341,975.40CR* USD	
4/20/08 S	6,000,000.00DB	24JUN09	GBP/USD	11,552,700.00CR	TYPE 1.9254500	698,304.99CR USD
				Net Present Value		698,304.99CR* USD
				Undiscounted MTM	1.8061452 ✓ 715,828.80CR* USD	
/10/08 B	6,309,332.55CR	26MAY09	USD/CAD	6,480,000.00DB	TYPE 1.0270500	143,547.46CR USD
/31/08 B	6,443,798.45CR	26MAY09	USD/CAD	6,650,000.00DB	TYPE 1.0320000	116,949.42CR USD
12,753,131.00CR*				13,130,000.00DB*		
				Net Present Value		260,496.88CR* USD
				Undiscounted MTM	1.0515196 280,167.21CR* CAD	
/20/08 B	18,399,264.03CR	29DEC08	USD/CHF	Undiscounted MTM In Base	266,440.31CR* USD	
				19,000,000.00DB	TYPE 1.0326500	1,093,695.78CR USD
				Net Present Value		1,093,695.78CR* USD
				Undiscounted MTM	1.0985223 1212,001.84CR* CHF	
				Undiscounted MTM In Base	✓ 1103,301.99CR* USD	
				Total FX Forward NPV		4,311,956.94CR* USD
				Total FX Undiscounted MTM		4,374,100.72CR* USD

- - - - - CONTINUED ON NEXT PAGE - - - - -

EXHIBIT C

Internal ID	CUSIP	Description	(A-40- Institutional LBSF) Pg 86 of 89												SI MV on filing date		SI MV on transfer date		SI P&L total
			Pre	Post	Qty	Unit	Cur	CCY	FX	Price	filng date	transfer date	Off P&L	SI Qty	filng date	transfer date	SI P&L		
KGENY	49373X103	KGEN PWR CORP COM 144A	0.0000	15.0000	15.0000	1,000.00	USD	15.0000	2,718,868.00	40,783,020.00	27,188,680.00	(13,594,340.00)	1,866,236.00	27,993,540.00	18,662,360.00	(9,331,180.00)	(22,925,520.00)		
5489304	92923CAG9	WCI COMMUNITIES INC GTD SENIOR SUB NOTE 9.125% 5/1/2012 92923CAG9	39.0000	35.0000	35.0000	0.0100	1,000.00	USD	1,000.00	14,645,000.00	5,125,750.00	219,675.00	(4,906,075.00)	14,309,000.00	5,008,150.00	214,635.00	(4,793,515.00)	(9,699,590.00)	
BTDPF	0081180	BARRATT DEVELOPMENTS PLC	2.5983	1.8671	2.5983	1,000.00	1,000.00	USD	1,000.00	2,179,878.00	5,663,992.27	1,810,960.19	(3,853,032.08)	2,569,067.00	6,675,224.77	2,134,283.69	(4,540,941.08)	(8,393,973.16)	
ABVT	00374N107	ABOVENET INC	56.5000	58.0000	56.5000	1,000.00	1,000.00	USD	1,000.00	392,902.00	22,198,963.00	18,073,492.00	(4,125,471.00)	372,301.00	21,035,006.50	17,125,846.00	(3,909,160.50)	(8,034,631.50)	
5337735	92923CAP9	WCI CMNTYS INC SR SUB NT 6.625% 3/15/2015 92923CAP9	41.0000	35.0000	35.0000	0.0100	1,000.00	USD	1,000.00	13,105,000.00	4,586,750.00	196,575.00	(4,390,175.00)	10,345,000.00	3,620,750.00	155,175.00	(3,465,575.00)	(7,855,750.00)	
ADVNB	007942024	ADVANTA CORP-CL B NON-VTG	8.5800	8.2300	8.5800	1,000.00	1,000.00	USD	1,000.00	951,658.00	8,165,225.64	3,654,366.72	(4,510,858.92)	689,393.00	5,914,991.94	2,647,269.12	(3,267,722.82)	(7,778,581.74)	
5214313	92923CAM6	WCI COMMUNITIES INC CONV SENIOR SUB NOTE 7.875% 10/1/2013 92923CAM6	38.5000	35.0000	35.0000	0.0100	1,000.00	USD	1,000.00	19,560,000.00	6,846,000.00	2,934,000.00	(3,912,000.00)	15,978,000.00	5,592,300.00	2,396,700.00	(3,195,600.00)	(7,107,600.00)	
RHDFG	2967879	RETAIL HOLDINGS N V	8.0000	8.5000	8.0000	1,000.00	1,000.00	USD	1,000.00	1,341,254.00	10,730,032.00	6,706,270.00	(4,023,762.00)	386,878.00	3,095,024.00	1,934,390.00	(1,160,634.00)	(5,184,396.00)	
HOV	442487203	HOVNANIAN ENTERPRISES INC-CL A	7.5700	7.9900	7.5700	1,000.00	1,000.00	USD	1,000.00	402,500.00	3,046,925.00	756,700.00	(2,290,225.00)	472,500.00	3,576,825.00	888,300.00	(2,688,525.00)	(4,978,750.00)	
5BDKMR1	1406611AD1	CAPMARK FINL GROUP INC SR NT FLT 10 3.74625% 5/10/2010 1406611AD1	76.6720	65.0000	65.0000	0.0100	1,000.00	USD	1,000.00	7,625,000.00	4,956,250.00	2,821,250.00	(2,135,000.00)	8,255,000.00	5,365,750.00	3,054,350.00	(2,311,400.00)	(4,446,400.00)	
5332712	N5639BAC2	SAIRGROUP FINANCE *IN DEFAULT* 6.625% 10/6/2010 N5639BAC2	0.0000	26.7085	26.7085	0.0100	1,000.00	USD	1,000.00	31,627,000.00	8,447,112.38	6,479,710.58	(1,967,401.80)	35,743,000.00	9,546,436.20	7,322,992.87	(2,223,443.33)	(4,190,845.13)	
5BDGWP4	76114EAE2	RESIDENTIAL CAP LLC SR SECD NT 8.50% 05/15/2010 76114EAE2	69.5000	55.0000	55.0000	0.0100	1,000.00	USD	1,000.00	26,875,000.00	14,781,250.00	12,900,000.00	(1,881,250.00)	26,475,000.00	14,561,250.00	12,708,000.00	(1,853,250.00)	(3,734,500.00)	
M017061	55291M202	MAC CAPITAL LLC COMBINATION SECS MEMBERSHIP	0.0000	0.3200	0.3200	1,000.00	1,000.00	USD	1,000.00	0.00	0.00	0.00	(0.00)	9,656,000.00	3,089,920.00	0.00	(3,089,920.00)	(3,089,920.00)	
ZARLF	989139100	ZARLINE SEMICONDUCTOR INC	0.6100	45.5000	0.6100	1,000.00	1,000.00	USD	1,000.00	5,489,218.00	3,348,422.98	1,209,274.69	(2,139,148.29)	2,164,484.00	1,320,335.24	476,835.81	(843,499.43)	(2,982,647.72)	
5225200	92923CAK0	WCI COMMUNITIES INC CONV 4% 8/5/2023 92923CAK0	38.0000	35.0000	35.0000	0.0100	1,000.00	USD	1,000.00	6,769,000.00	2,369,150.00	1,006,888.75	(1,362,261.25)	6,410,000.00	2,243,500.00	953,487.50	(1,290,012.50)	(2,652,273.75)	
5986867	X50282003820	LUXFER HOLDINGS PLC 11.831% 02/06/2012 G5698WAD0	0.0000	142.1600	142.1600	0.0100	1,000.00	USD	1,000.00	2,179,193.00	3,097,940.77	1,881,776.74	(1,216,164.03)	2,308,621.00	3,281,935.61	1,898,881.35	(1,383,054.26)	(2,599,218.29)	
ACTG	003881307	ACACIA RESEARCH - ACACIA TECHNOLOGIES	4.1300	3.0200	4.1300	1,000.00	1,000.00	USD	1,000.00	521,695.00	2,154,600.35	1,064,257.80	(1,090,342.55)	612,425.00	2,529,315.25	1,249,347.00	(1,279,968.25)	(2,370,310.80)	
CAL	210795308	CONTINENTAL AIRLINES INC-CL B	18.9500	15.8300	18.9500	1,000.00	1,000.00	USD	1,000.00	301,044.00	5,704,783.80	4,633,067.16	(1,071,716.64)	343,356.00	6,506,596.20	5,284,248.84	(1,222,347.36)	(2,294,064.00)	
5BBNNND6	55265AAN1	MAC CAPITAL LTD SER 2007-1 CL B-2L 144A/3C7 7.0450% 7/26/2023 55265AAN1	0.0000	40.4600	40.4600	0.0100	1,000.00	USD	1,000.00	6,050,000.00	2,447,830.00	1,257,190.00	(1,190,640.00)	4,950,000.00	2,002,770.00	1,028,610.00	(974,160.00)	(2,164,800.00)	
5196207	N5639BA6	SAIR GROUP FINANCE B V *IN DEFAULT* 4.375% 6/8/2006 N5639BA6	0.0000	26.7686	26.7686	0.0100	1,000.00	USD	1,000.00	23,417,000.00	6,268,397.51	5,222,198.79	(1,046,198.72)	19,357,000.00	5,181,593.31	4,100,776.01	(1,080,817.30)	(2,127,016.02)	
5856846	904677AG6	UNIFI INC SR SC NT 11.5% R/MD 05/15/2014 904677AG6	90.5000	82.5000	82.5000	0.0100	1,000.00	USD	1,000.00	12,528,000.00	10,335,600.00	9,020,160.00	(1,315,440.00)	7,472,000.00	6,164,400.00	5,379,840.00	(784,560.00)	(2,100,000.00)	
5BDBKL84	X50320940688	MAC CAPITAL LTD R/MD .000000001 07/24/2023 G5753NAB6	0.0000	0.3900	0.3900	1,000.00	1,000.00	USD	1,000.00	6,500,000.00	2,555,000.00	756,600.00	(1,778,400.00)	0.00	0.00	0.00	(1,778,400.00)	(1,778,400.00)	
LCC	90341W108	US AIRWAYS GROUP INC	7.8800	6.0300	7.8800	1,000.00	1,000.00	USD	1,000.00	689,448.00	5,432,850.24	4,626,196.08	(806,654.16)	809,010.00	6,374,998.80	5,428,457.10	(946,541.70)	(1,753,195.86)	
5BDHHSQ5	85431AJM0	VICTORIA STANFIELD FIN LTD MEDIUM TERM NTS144A 3C7 0% 01/25/2008 85431AJM0	0.0000	42.0000	42.0000	0.0100	1,000.00	USD	1,000.00	4,600,000.00	1,932,000.00	575,000.00	(1,357,000.00)	5,400,000.00	2,268,000.00	1,890,000.00	(378,000.00)	(1,735,000.00)	
ADVNA	007942105	ADVANTA CORP-CL A (FORMERLY COMMON)	7.2200	4.9300	7.2200	1,000.00	1,000.00	USD	1,000.00	158,854.00	1,146,925.88	339,947.56	(806,978.32)	166,257.00	1,200,375.54	355,789.98	(844,585.56)	(1,651,563.88)	
5128805	13134YAA5	CALPINE CONSTRUCTION FINANCE CO L P /CCFC FINANCE CORP 144A 11.6025% 08/26/2011 13134YAA5	107.5000	101.5000	101.5000	0.0100	1,000.00	USD	1,000.00	12,650,000.00	12,839,750.00	11,448,250.00	(1,391,500.00)	2,350,000.00	2,385,250.00	2,126,750.00	(258,500.00)	(1,650,000.00)	
ADPAJ	00685R102	ADELPHIA RECOVERY TRUST SERIES ARAHOVA INT	0.4000	0.2500	0.4000	1,000.00	1,000.00	USD	1,000.00	0.00	0.00	0.00	(0.00)	5,301,739.00	2,120,695.60	636,208.68	(1,484,486.92)	(1,484,486.92)	
5341743	112013AB3	BRODER BROS CO SR NOTE 11.25% 10/15/2010 112013AB3	67.5000	58.5000	58.5000	0.0100	1,000.00	USD	1,000.00	4,975,000.00	2,910,375.00	1,990,000.00	(920,375.00)	2,525,000.00	1,477,125.00	1,010,000.00	(467,125.00)	(1,387,500.00)	
5262134	98141AAD3	WORLD ACCESS INC SENIOR NOTES- DEFAULT 13.25% 01/15/2008 98141AAD3	0.0000	3.2389	3.2389	0.0100	1,000.00	USD	1,000.00	67,826,000.00	2,196,799.10	2,034,780.00	(162,019.10)	58,995,000.00	1,910,774.00	727,667.55	(1,183,106.54)	(1,345,125.64)	
POR	736508847	PORLAND GENERAL ELECTRIC CO NEW	25.4700	23.6600	25.4700	1,000.00	1,000.00	USD	1,000.00	1,147.00	29,214.09	22,641.78	(6,572.31)	233,431.00	5,945,487.57	4,607,927.94	(1,337,559.63)	(1,344,131.94)	
5355724	X50119591302	MULIALERAMIK FINANCE LTD SENIOR A VAR RATE 7.18750% 10/31/2007	0.0000	22.0000	22.0000	0.0100	1,000.00	USD	1,000.00	6,045,389.00	1,329,985.58	453,404.18	(876,581.40)	3,114,291.00	685,144.02	233,571.83	(451,572.19)	(1,328,153.59)	
5325546	74972EAN8	RSL COMMUNICATIONS PLC GRD US\$ SR NT- *IN DEFAULT* 12.8750% 03/01/2010 74972EAN8	0.0000	4.2500	4.2500	0.0100	1,000.00	USD	1,000.00	18,635,000.00	791,987.50	234,987.55	(557,000.15)	24,550,000.00	1,043,375.00	309,575.50	(733,799.50)	(1,290,799.65)	
5975781	852591A44	STALLION OILFIELD SVCS LTD / CORP SR NT 144A 9.75% 02/01/2015 852591A44	73.0000	65.0000	65.0000	0.0100	1,000.00	USD	1,000.00	2,475,000.00	1,608,750.00	940,500.00	(668,250.00)	2,025,000.00	1,316,250.00	769,500.00	(546,750.00)	(1,215,000.00)	
5713396	666107AA5	NORTHERNSTAR NAT GAS INC SR NTS 144A 5% 05/15/2013 666107AA5	92.0000	30.0000	30.0000	0.0100	1,000.00	USD	1,000.00	11,694,343.00	3,508,302.90	2,923,585.75	(584,717.15)	11,694,343.00	3,508,302.90	2,923,585.75	(584,717.15)	(1,169,434.30)	
FRCPF	359043106	FRONTERA COPPER CORPORATION	1.7774	1.1475	1.7774	1,000.00	1,000.00	USD	1,000.00	880,395.00	1,564,815.83	532,110.74	(1,032,705.09)	93,305.00	165,840.49	56,393.54	(109,446.95)	(1,142,152.04)	
514																			

THRSF	G88576106	THUNDERBIRD RESORTS INC NEW	6,000.00	5,000.00	6,000.00	1,000.00	USD 1,000.00	45,414.50	27,282,000.00	159,148.50	(15,677.50)	37,204.00	223,224.00	130,214.00	(93,010.00)	(206,687.50)	
N009546	64007P111	WTS NEEAH ENTERPRISES INC	26,870.00	25,090.00	26,870.00	1,000.00	USD 1,000.00	17,500.00	121,192.00	7,574.50	(113,617.50)	57,444.00	91,910.40	5,744.40	(86,166.00)	(199,783.50)	
CORE	218681104	CORE MARK HOLDING CO INC	26,870.00	25,090.00	26,870.00	1,000.00	USD 1,000.00	13,377.00	359,439.99	252,423.99	(107,016.00)	9,357.00	251,422.59	176,566.59	(74,856.00)	(181,872.00)	
3450402	238259265	DAUPHIN CNTY PA GEN AUTH REV OFFICE & PKG-FORUM PL-SER A 6% 01/15/2025 238259Z65	0.0000	65,000.00	65,000.00	0.0100	1,0000	USD 1,000.00	0.00	0.00	0.00	1,295,000.00	841,750.00	666,018.50	(175,731.50)	(175,731.50)	
DAL	247361702	DELTA AIR LINES INC DEL COM NEW	8,1300	7,4500	8,1300	1,0000	USD 1,0000	591,804.00	4,811,366.52	4,693,005.72	(118,360.80)	262,805.00	2,136,604.65	(52,561.00)	(170,921.80)		
5253291	358430AA4	FRIEDE GOLDMAN INTL INC SUB NT CV-IN DEFAULT 4.50% 09/15/2049 358430AA4	0.0000	4,7500	4,7500	0.0100	1,0000	USD 1,0000	52,619,000.00	2,499,402.50	2,367,855.00	(131,547.50)	15,677,000.00	744,657.50	705,465.00	(39,192.50)	(170,740.00)
5449492	CH0010348594	SAIR GROUP -IN DEFAULT 4.25% 02/02/2007 010645182	0.0000	13,7200	13,7200	0.0100	1,0000	USD 1,0000	795,000.00	109,074.00	104,408.30	(4,665.70)	12,000,000.00	1,646,400.00	1,501,044.95	(145,355.05)	(150,020.75)
5229955	PEREGRINE INVEST HOLDINGS LTD		0.0000	0.0145	0.0145	0.0100	1,0000	USD 1,0000	2,120,000,000.00	307,400.00	160,696.00	(146,704.00)	0.00	0.00	0.00	(146,704.00)	
5BBPVH5	XS0301812557	GMAC BANK GMBH EURO MEDIUM TERM NOTE 5.75% 05/21/2010 N3592XB66	109,1440	92,3090	92,3090	0.0100	1,0000	USD 1,0000	920,000.00	849,242.80	784,430.64	(64,812.16)	1,080,000.00	996,937.20	920,853.36	(76,083.84)	(140,896.00)
5119024	126685DW3	CWHEQ HOME EQUITY LOAN TRUST MTGPC/SERIES 2006-S2 A-2-VAR 5.627% 07/25/2027 126685DW3	78,1854	68,0000	68,0000	0.0100	1,0000	USD 1,0000	2,150,000.00	1,462,000.00	1,397,500.00	(64,500.00)	2,525,000.00	1,717,000.00	1,641,250.00	(75,750.00)	(140,250.00)
5BFBRQ5	9262G0AF6	VICTORIA FIN LTD 144A VR 090908-021709 0% 2/17/2009 9262G0AF6	65,0000	42,0000	42,0000	0.0100	1,0000	USD 1,0000	1,100,000.00	462,000.00	385,000.00	(77,000.00)	900,000.00	378,000.00	315,000.00	(63,000.00)	(140,000.00)
5497868	339130AX4	FLEMING COMPANIES INC SENIOR NOTES 4.95% 06/15/2010 339130AX4	0.0000	2,5000	2,5000	0.0100	1,0000	USD 1,0000	17,368,000.00	434,200.00	347,360.00	(86,840.00)	7,882,000.00	197,050.00	157,640.00	(39,410.00)	(126,250.00)
5BBKVC2	640071AR7	NEENAH CORP SR SECD NT 9.50% 01/01/2017 640071AR7	76,6250	72,0000	72,0000	0.0100	1,0000	USD 1,0000	460,000.00	331,200.00	273,700.00	(57,500.00)	540,000.00	388,800.00	321,300.00	(67,500.00)	(125,000.00)
5204979	247361VM7	DELTA AIR PTC 1990-E15 10.33% 03/26/2006 247361VM7	0.0000	34,1063	34,1063	0.0100	1,0000	USD 1,0000	0.00	0.00	0.00	1,801,000.00	614,254.46	497,537.06	(116,717.40)	(116,717.40)	
5231755	87941TAD7	TELEGLOBE INC GTD DEB 7.2% 07/20/2009 87941TAD7	0.0000	1,2500	1,2500	0.0100	1,0000	USD 1,0000	26,335,000.00	329,187.50	263,350.00	(65,837.50)	16,619,000.00	207,737.50	166,190.00	(41,547.50)	(107,385.00)
5084588	247361VU9	DELTA AIR PTC 1990-B16 10.79% 03/26/2014 247361VU9	81,5000	42,3770	42,3770	0.0100	1,0000	USD 1,0000	0.00	0.00	0.00	1,250,000.00	529,712.50	425,528.75	(104,183.75)	(104,183.75)	
T104832	87941T972	TELEGLOBE CANADA INC TEMP 8% 10/23/2026	0.0000	0.0080	0.0080	0.0000	1,0000	USD 1,0000	13,000,000.00	104,000.00	51,275.86	(52,724.14)	12,000,000.00	96,000.00	47,331.56	(48,668.44)	(101,392.58)
5406872	59832WAE9	MIDWEST GENERATION LLC PASSTHRU CTF SER A 8.30% 07/02/2009 59832WAE9	102,5940	100,7500	100,7500	0.0100	1,0000	USD 1,0000	2,625,000.00	2,644,687.50	2,546,250.00	(98,437.50)	0.00	0.00	0.00	(98,437.50)	
5197153	247361VK1	DELTA AIR PTC 1990-C15 10.33% 03/26/2006 247361VK1	0.0000	34,1771	34,1771	0.0100	1,0000	USD 1,0000	0.00	0.00	0.00	1,601,000.00	547,175.37	451,009.71	(96,165.66)	(96,165.66)	
EXEXA	269282109	EXX INC-CL A	2,4500	2,4500	2,4500	0.0000	1,0000	USD 1,0000	51,850.00	127,032.50	80,367.50	(46,665.00)	51,850.00	127,032.50	80,367.50	(46,665.00)	(93,330.00)
5253212	987406AA3	YOSEMETIE SECURITIES TRUST I 99-A LNKD ENRN OBLG LDS-DFLT 8.25% 11/15/2049 987406AA3	0.5000	2,0000	2,0000	0.0100	1,0000	USD 1,0000	4,350,000.00	87,000.00	2,718.75	(84,281.25)	450,000.00	9,000.00	281.25	(8,718.75)	(93,000.00)
5451783	247361VW5	DELTA AIR PTC 1990-D16 10.79% 03/26/2014 247361VW5	81,5000	34,3068	34,3068	0.0100	1,0000	USD 1,0000	0.00	0.00	0.00	1,500,000.00	514,602.00	423,966.00	(90,636.00)	(90,636.00)	
5778017	125568AE5	CIT GROUP FDG CO CDA SR NT 5.6% 11/02/2011 125568AE5	80,0749	60,5000	60,5000	0.0100	1,0000	USD 1,0000	4,815,000.00	2,913,075.00	2,864,925.00	(48,150.00)	3,935,000.00	2,380,675.00	2,341,325.00	(39,350.00)	(87,500.00)
SE11267	70557RAA8	PEGASUS AVIATION LEASE SECURITIZATION IIABTBK/SERIES 5.81% 05/10/2031 70557RAA8	0.0000	43,0000	43,0000	0.0100	1,0000	USD 1,0000	1,000,000.00	430,000.00	352,500.00	(77,500.00)	0.00	0.00	0.00	(77,500.00)	
5174451	629377AN2	NRG ENERGY INC SENIOR DEB 6.50% 05/16/2006 629377AN2	0.0000	0.3896	0.3896	0.0100	1,0000	USD 1,0000	25,057,250.00	97,626.75	57,631.68	(39,995.07)	22,005,250.00	85,735.70	50,612.08	(35,123.62)	(75,118.69)
5648314	247361VX3	DELTA AIR PTC 1990-E16 10.79% 03/26/2014 247361VX3	0.0000	34,1063	34,1063	0.0100	1,0000	USD 1,0000	0.00	0.00	0.00	5,000,000.00	1,705,315.00	1,632,090.00	(73,225.00)	(73,225.00)	
5BBFB54	85431AFH5	VICTORIA STANFIELD FIN LTD MTN VR 032406-032509 3.13% 3/24/2009 85431AFH5	0.0000	42,0000	42,0000	0.0100	1,0000	USD 1,0000	550,000.00	231,000.00	192,500.00	(38,500.00)	450,000.00	87,500.00	31,500.00	(31,500.00)	(70,000.00)
5BBKJQ7	228449AA4	CROWN PAPER CO SR SUB NOTES -ESCRW CUSIP- 11% 09/01/2005 228449AA4	0.0000	0.2500	0.2500	0.0100	1,0000	USD 1,0000	29,260,000.00	73,150.00	36,575.00	(36,575.00)	25,937,000.00	64,842.50	32,421.25	(32,421.25)	(68,996.25)
5346617	XS01203136035	TXU EUROPE FUNDING LTD EURO ISSUE- IN DEFAULT 7% 11/30/2007	0.0000	4,0000	4,0000	0.0100	1,0000	USD 1,0000	8,503,000.00	340,120.00	307,151.75	(32,968.25)	7,429,000.00	297,160.00	268,355.91	(28,804.09)	(61,772.34)
5596000	841338AA4	SOUTHEAST BANKING CORP CV S/D -REG- FLAT 4.75% 10/15/1997 841338AA4	0.0000	3,0000	3,0000	0.0100	1,0000	USD 1,0000	1,839,000.00	55,170.00	2,298.75	(52,871.25)	0.00	0.00	0.00	(52,871.25)	
5263095	XS0108136465	RSL COMMUNICATION LTD -DEFAULTED 12.875% 03/01/2010	0.0000	4,0000	4,0000	0.0100	1,0000	USD 1,0000	0.00	0.00	0.00	2,000,000.00	80,000.00	29,000.00	(51,000.00)	(51,000.00)	
5334867	XS0107420217	PASMINCO FINANCE LTD EURO MEDIUM TERM NOTE 0% 02/10/2049 Q73665AA1	0.0001	7,0000	7,0000	0.0100	1,0000	USD 1,0000	0.00	0.00	0.00	1,250,000.00	87,500.00	37,500.00	(50,000.00)	(50,000.00)	
5454713	CH0004931496	SAIRGROUP - IN DEFAULT 2.75% 07/30/2004	0.0000	13,7200	13,7200	0.0100	1,0000	USD 1,0000	2,265,000.00	310,758.00	297,465.17	(13,292.83)	2,815,000.00	386,218.00	350,931.64	(35,286.36)	(48,579.19)
5649514	247361VL9	DELTA AIR PTC 1990-D15 10.33% 03/26/2049 247361VL9	0.0000	34,3068	34,3068	0.0100	1,0000	USD 1,0000	0.00	0.00	0.00	801,000.00	274,797.47	226,397.84	(48,399.63)	(48,399.63)	
5856171	XS0282593440	FCE BANK PLC EURO MEDIUM TERM NOTE 7.125% 01/16/2012 G33365SQ4	116,8762	99,8970	99,8970	0.0100	1,0000	USD 1,0000	500,000.00	499,485.00	468,095.50	(31,389.50)	500,000.00	499,485.00	485,561.75	(13,923.25)	(45,312.75)
5296457	CH0007268961	S-AIR GROUP IN DEFAULT 2.125% 11/04/2004	0.0000	13,7200	13,7200	0.0100	1,0000	USD 1,0000	1,850,000.00	253,820.00	242,962.72	(10,857.28)	1,715,000.00	235,298.00	213,800.27	(21,497.73)	(32,355.01)
5370856	339130AP1	FLEMING COS INC NTS 10.125% 04/01/2008 339130AP1	0.0000	2,5000	2,5000	0.0100	1,0000	USD 1,0000	1,185,000.00	29,625.00	23,700.00	(5,925.00)	5,000,000.00	125,000.00	100,000.00	(25,000.00)	(30,925.

5147251	12542AAB3	CHS ELECTRONICS INC SENIOR NOTES 9.875% 04/15/2005 12542AAB3	0.0000	0.5000	7,000	0.0100	1,0000	USD 1,0000	2,750,000.00	137,500.00	9,00	27,500,000.00	137,500.00	137,500.00	0.00	0.00	
5BBDTK4	12560PEA5	CIT GROUP INC MEDIUM TERM SR NTS 2.9050% 10/27/2008 12560PEA5	0.0000	0.0000	0.000	0.0100	1,0000	USD 1,0000	5,401,220.00	5,401,220.00	0.00	4,500,000.00	4,419,180.00	4,419,180.00	0.00	0.00	
5307531	196267AD0	COLOR TILE INC SR NT IN DEFAULT 10.75% 12/15/2001 196267AD0	0.0000	0.0000	0.0000	0.0100	1,0000	USD 1,0000	3,262,000.00	0.00	0.00	1,700,000.00	0.00	0.00	0.00	0.00	
5220319	21061PAD8	CONSUMER PACKAGING INC SR NOTE 9.75% 02/01/2007 21061PAD8	0.0000	0.0000	0.0000	0.0100	1,0000	USD 1,0000	8,800,000.00	0.00	0.00	23,854,000.00	0.00	0.00	0.00	0.00	
5272505	2107959D4	CONTINENTAL AIRLINES INC SR NOTES GTD-REG-ESCROW-DEFAULT 11.5% 03/15/1997 2107959D4	0.0000	0.0000	0.0000	0.0100	1,0000	USD 1,0000	26,400,000.00	0.00	0.00	13,600,000.00	0.00	0.00	0.00	0.00	
5430398	2338609B3	DAIRY MART CONVENIENCE STORES INC - ESCROW - 10.25% 03/15/2004 2338609B3	0.0000	0.0100	0.0100	0.0100	1,0000	USD 1,0000	742,000.00	74.20	74.20	0.00	584,000.00	58.40	58.40	0.00	0.00
D004752	243457108	DECISIONONE CORP NEW	0.0000	0.0000	0.0000	1,0000	1,0000	USD 1,0000	36.00	0.00	0.00	58.00	0.00	0.00	0.00	0.00	
5115626	247701AB1	DELTA MILLS INC SR NOTE SER B 9.62500 09/01/2008 247701AB1	0.0000	8.6000	8,6000	0.0100	1,0000	USD 1,0000	3,092,000.00	265,912.00	265,912.00	0.00	0.00	0.00	0.00	0.00	
5123009	262497AG5	DRYERS CORP SR NTS SER-B 10.25% 06/15/2007 262497AG5	0.0000	0.0000	0.0000	0.0100	1,0000	USD 1,0000	5,004,000.00	0.00	0.00	15,953,000.00	0.00	0.00	0.00	0.00	
5310628	2695249C0	EAGLE GEOPHYSICAL INC SR NT SER B -ESCROWED- 10.75% 07/15/2008 2695249C0	0.0000	0.0100	0.0100	0.0100	1,0000	USD 1,0000	15,218,000.00	1,521.80	1,521.80	0.00	11,000,000.00	1,100.00	1,100.00	0.00	0.00
5030910	2003368R9	ESC COMDISCO INC NOTE - ESCROW - 6.125% 01/15/2003 2003368R9	0.0000	0.0000	0.0000	0.0100	1,0000	USD 1,0000	1,450,000.00	0.00	0.00	1,050,000.00	0.00	0.00	0.00	0.00	
5037926	4983269C3	ESC KITTY HAWK INC SR SECD NTS 9.95% 11/15/2004 4983269C3	0.0000	0.5000	0.5000	0.0100	1,0000	USD 1,0000	11,530,000.00	57,650.00	57,650.00	0.00	22,523,800.00	112,619.00	112,619.00	0.00	0.00
5578456	2107959L6	ESCROW CONTINENTAL AIRLINES INC "IN DEFAULT" 10% 11/15/2001 2107959L6	0.0000	0.0000	0.0000	0.0100	1,0000	USD 1,0000	8,600,000.00	0.00	0.00	5,718,000.00	0.00	0.00	0.00	0.00	
5359457	40065L9B9	ESCROW GUANGDONG INTL TR & INV 144A 8.75% 11/23/2003 40065L9B9	0.0000	4.6500	4.6500	0.0100	1,0000	USD 1,0000	3,300,000.00	153,450.00	153,450.00	0.00	1,700,000.00	79,050.00	79,050.00	0.00	0.00
5358558	40065L9A1	ESCROW GUANGDONG INTL TR & INV 144A-IN DEFAULT 6.75% 11/15/2020 40065L9A1	0.0000	4.6500	4.6500	0.0100	1,0000	USD 1,0000	2,925,000.00	136,012.50	136,012.50	0.00	1,575,000.00	73,237.50	73,237.50	0.00	0.00
5294718	297862AB0	ETOYS IND CONV SUB NOTE-IN DEFAULT 6.25% 12/01/2004 297862AB0	0.0000	1.4500	1.4500	0.0100	1,0000	USD 1,0000	5,985,000.00	86,782.50	86,782.50	0.00	4,000,000.00	58,000.00	58,000.00	0.00	0.00
5261713	302088AH2	EXODUS COMMUNICATIONS INC SR NT - IN DEFAULT 10.75% 12/15/2009 302088AH2	0.0000	0.0000	0.0000	0.0100	1,0000	USD 1,0000	34,039,000.00	0.00	0.00	53,180,000.00	0.00	0.00	0.00	0.00	
5158280	302088AB5	EXODUS COMMUNICATIONS INC SR NTS - IN DEFAULT 11.25% 07/01/2008 302088AB5	0.0000	0.0000	0.0000	0.0100	1,0000	USD 1,0000	50,420,000.00	0.00	0.00	25,850,000.00	0.00	0.00	0.00	0.00	
5355200	302088AL3	EXODUS COMMUNICATIONS INC USS SR NT 11.625% 07/15/2010 302088AL3	0.0000	0.0000	0.0000	0.0100	1,0000	USD 1,0000	164,013,000.00	0.00	0.00	191,285,000.00	0.00	0.00	0.00	0.00	
F006921	301990719	FCLT LOANS ASSET (FIRST CITY LIQ. TRUST)	0.0000	0.0000	0.0000	1,0000	1,0000	USD 1,0000	0.00	0.00	0.00	109,941.00	0.00	0.00	0.00	0.00	
FCFCL	33762E108	FIRSTCITY LIQUIDATING TRUST CL B CBI	0.0000	0.0000	0.0000	1,0000	1,0000	USD 1,0000	0.00	0.00	0.00	109,941.00	0.00	0.00	0.00	0.00	
3BBWTX8	36099ACJ0	FULTON CNTY GA DEV AUTH SPL FACS REV DELTA AIRLINES INC 5.30% 05/01/2013 36099ACJ0	0.0000	0.0000	0.0000	0.0100	1,0000	USD 1,0000	120,000.00	0.00	0.00	120,000.00	0.00	0.00	0.00	0.00	
5233639	37937WAD1	GLOBAL RATED ELIGIBLE ASSET TR 1998-A ASST BACKED NT -DEFAULT 0% 01/15/2003 37937WAD1	0.0000	0.0010	0.0010	0.0100	1,0000	USD 1,0000	79,740,000.00	797.40	797.40	0.00	0.00	0.00	0.00	0.00	
5C64242	37937WAA7	GLOBAL RATED ELIGIBLE ASSET TR CL A2 7.33% 03/15/2006 37937WAA7	0.0000	0.0010	0.0010	0.0100	1,0000	USD 1,0000	31,643,000.00	316.43	316.43	0.00	0.00	0.00	0.00	0.00	
5C64936	37937WAB5	GLOBAL RATED ELIGIBLE ASSET TR SERIES 1998-A CL-A-DEFAULT 7.06% 09/15/2007 37937WAB5	0.0000	0.0010	0.0010	0.0100	1,0000	USD 1,0000	12,362,000.00	123.62	123.62	0.00	0.00	0.00	0.00	0.00	
5139489	38012TAB8	GMACM HOME EQUITY LN TR SERIES 2006-HE3 CLASS A2 5.75% 10/25/2036 38012TAB8	76.9930	58.0000	58.0000	0.0100	1,0000	USD 1,0000	6,836,750.00	3,965,315.00	3,965,315.00	0.00	8,025,750.00	4,654,935.00	4,654,935.00	0.00	0.00
5BBQVB1	36186LAC7	GMACM HOME EQUITY LN TR SERIES 2007-HE2 CLASS A3 6.193% 12/25/2037 36186LAC7	48.0810	48.0000	48.0000	0.0100	1,0000	USD 1,0000	15,410,000.00	7,396,800.00	7,396,800.00	0.00	18,090,000.00	8,683,200.00	8,683,200.00	0.00	0.00
5BBQTZ9	36186LAD5	GMACM HOME EQUITY LN TR SERIES 2007-HE2 CLASS A4 6.424% 12/25/2037 36186LAD5	31.7589	44.0000	44.0000	0.0100	1,0000	USD 1,0000	18,170,000.00	7,994,800.00	7,994,800.00	0.00	21,330,000.00	9,385,200.00	9,385,200.00	0.00	0.00
5141557	38012TAD4	GMACM HOME EQUITY LOAN TRUST MTGPC/SERIES 2006-HE3 A4-VAR 6.088% 10/25/2036 38012TAD4	81.7825	44.0000	44.0000	0.0100	1,0000	USD 1,0000	1,725,000.00	759,000.00	759,000.00	0.00	2,025,000.00	891,000.00	891,000.00	0.00	0.00
5BBKVN8	36186KAD7	GMACM HOME EQUITY LOAN TRUST MTGPC/SERIES 2007-HE1 A4-VAR 5.952% 08/25/2037 36186KAD7	38.1446	44.0000	44.0000	0.0100	1,0000	USD 1,0000	3,450,000.00	1,518,000.00	1,518,000.00	0.00	4,050,000.00	1,782,000.00	1,782,000.00	0.00	0.00
5282351	361881AA3	GMD BONDHOLDER TRUST OFFSHORE TR CTF 144A 0% 12/31/2026 361881AA3	0.0000	0.0000	0.0000	0.0100	1,0000	USD 1,0000	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5281808	G3944MA5	GMD BONDHOLDER TRUST OFFSHORE TR CTF REG S 0% 12/31/2026 G3944MA5	0.0000	0.0000	0.0000	0.0100	1,0000	USD 1,0000	4,218.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5957171	GREAT 98-A SERIES A2-FRN	0.0000	0.0010	0.0010	0.0100	1,0000	USD 1,0000	4,733,000.00	47.33	47.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5246447	36228YAC9	GST NETWORK FUNDING INC SR SECD DISC NTE DEFAULT 10.50% 05/01/2008 36228YAC9	0.0000	0.0000	0.0000	0.0100	1,0000	USD 1,0000	4,000,000.00	0.40	0.40	0.00	0.00	0.00	0.00	0.00	
5329921	362359AC5	GT GROUP TELECOM INC SENIOR DISC EXCH NTS-DEFAULTED 13.25% 02/01/2010 362359AC5	0.0000	0.0000	0.0000	0.0100	1,0000	USD 1,0000	17,000,000.00	0.00	0.00	14,000,000.00	0.00	0.00	0.00	0.00	
5252671	422660AD2	HECHINGER CO *IN DEFAULT* 6.95% 10/15/2003 422660AD2	0.0000	1.5000	1.5000	0.0100	1,0000	USD 1,0000	0.00	0.00	0.00	5,892,000.00	88,380.00	88,380.00	0.00	0.00	
5205553	422660AC4	HECHINGER CO SR DEBS 9.45% 11/15/2012 422660AC4	0.0000	1.5000	1.5000	0.0100	1,0000	USD 1,0000	0.00	0.00	0.00	20,158,000.00	302,370.00	302,370.00	0.00	0.00	
5223763	457659AM2	INSILCO CORP SR SUB NOTE SER-B *IN DEFAULT* 12% 08/15/2007 457659AM2	0.0000	0.0625	0.0625	0.0100	1,0000	USD 1,0000	23,300,000.00	14,562.50	14,562.50	0.00	20,185,000.00	12,615.63	12,615.63	0.00	0.00
5143514	457661AA4	INSILCO HOLDING CO SR DISC NT 14% 08/15/2008 457661AA4	0.0000	0.0625	0.0625	0.0100	1,0000	USD 1,0000	8,250,000.00	5,156.25	5,156.25	0.00	6,750,000.00	4,218.75	4,218.75	0.00	0.00
5051503	462213AK5	IONICA PLC -SNR DISC NTS 15% 12/31/2049 462213AK5	0.0000	0.0010	0.0010	0.0100	1,0000	USD 1,0000	3,000,000.00	30.00	30.00	0.00	1,500,000.00	15.00	15.00	0.00	0.00
5033225	462213AJ8	IONICA PLC SR NOTE 13.50% 08/15/2006 46															

5245527	81375BAK8	SECURITIZED MULTIPLE ASSET RATED TR 1997-5ASSET BACKED 7.056% 06/15/2005 81375BARS	0.0000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00					
5C60831	81375BAN2	SECURITIZED MULTIPLE ASSET RATED TR ASSET BKT ND 7.056% 06/15/2005 81375BAN2	0.0000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00					
SE12094	81375BAM4	SECURITIZED MULTIPLE ASSET SERIES 1997-6 CL-A 1.71% 11/15/2006 81375BAM4	0.0000	0.0010	0.0010	0.0000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00					
5237126	784123AF8	SFC NEW HLDGS INC SR SUB NT 13.25% 08/15/2003 784123AF8	0.0000	0.0000	0.0000	0.0100	0.0000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17,530,050.00	0.00	0.00	0.00	0.00	0.00	0.00					
5563864	836153AC0	SOURCE MEDIA INC SR SECD NTS 12.0000% 11/01/2049 836153AC0	0.0000	0.0000	0.0000	0.0100	0.0000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,000,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00					
SSMR	867833600	SUNSHINE MNG & REFGN COMPANY PAR %0.01	0.0000	0.0000	0.0000	1.0000	0.0000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,999,544.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00					
5070867	292689AC0	TXU - ENERGY GROUP OVERSEAS BV GTD NOTES 7.375% 10/9/98 7.425% 10/15/2017 292689AC0	32.7500	20.0000	20.0000	0.0100	1.0000	0.0000	18,880,000.00	3,776,000.00	3,776,000.00	0.00	0.00	18,255,000.00	3,651,000.00	3,651,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
5071495	292689AD8	TXU - ENERGY GROUP OVERSEAS BV GTD NT 7.55% 10/15/2027 292689AD8	32.7500	20.0000	20.0000	0.0100	1.0000	0.0000	30,633,000.00	6,126,600.00	6,126,600.00	0.00	0.00	21,450,000.00	4,290,000.00	4,290,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
5264525	873169AJ5	TXU EASTERN FUNDING CO GTD SR NOTE 6.75% 05/15/2009 873169AJ5	0.0000	4.0000	4.0000	0.0100	1.0000	0.0000	8,650,000.00	346,000.00	346,000.00	0.00	0.00	10,167,000.00	406,680.00	406,680.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
5264215	873169AF3	TXU EASTERN FUNDING GTD SR NT- IN DEFAULT 6.45000 05/15/2005 873169AF3	0.0000	4.0000	4.0000	0.0100	1.0000	0.0000	4,037,000.00	161,480.00	161,480.00	0.00	0.00	815,000.00	32,600.00	32,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
5261756	92326YAF6	VENTURE HOLDINGS TRUST *IN DEFAULT* 11.00000 12/31/2049 92326YAF6	0.0000	0.1250	0.1250	0.0100	1.0000	0.0000	11,475,000.00	14,343.75	14,343.75	0.00	0.00	10,575,000.00	13,218.75	13,218.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
5102085	92326YAD1	VENTURE HOLDINGS TRUST SR NOTE SER B 9.50% 07/01/2005 92326YAD1	0.0000	0.1250	0.1250	0.0100	1.0000	0.0000	7,125,000.00	8,906.25	8,906.25	0.00	0.00	7,125,000.00	8,906.25	8,906.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
VIAHF	G93447111	VIALET HOLDING BERMUDA LIMITED NEW	1.0000	1.0000	1.0000	0.0000	1.0000	0.0000	187,00	187,00	187,00	0.00	0.00	164,00	164,00	164,00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
5726350	93934WAA3	WASHINGTON MUT PFD FDG TR I PERPETUAL 144A *IN DEFAULT* 6.534% 12/29/2049 93934WAA3	10.1880	0.0000	0.0000	0.0100	1.0000	0.0000	5,980,000.00	0.00	0.00	0.00	0.00	7,020,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
WAMPQ	939322814	WASHINGTON MUTUAL INC 7.75% SERIES R NON CUM PERPETUAL CONV PREFERRED STOCK	285,0000	0.0000	0.0000	1.0000	0.0000	0.0000	5,520,00	0.00	0.00	0.00	0.00	6,480,00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
5002385	960080AB5	WESTFED HOLDINGS INC MNT SER DEB SPLT CPN 15.50% 09/15/2049 960080AB5	0.0000	0.0000	0.0000	0.0100	1.0000	0.0000	0.00	0.00	0.00	0.00	0.00	1,000,00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
5042652	978093AE2	WOLVERINE TUBE INC SENIOR NOTE SER B 10.50% 04/01/2009 978093AE2	92.0000	85.0000	85.0000	0.0100	1.0000	0.0000	966,000.00	821,100.00	821,100.00	0.00	0.00	241,000.00	204,850.00	204,850.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
C010314	125127159	WTS CD RADIO INC EXP 5/15/2009 ACCREDITED INV5	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	18,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
ICCGW	449246115	WTS ICG COMMUNICATIONS INC	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	11,911.00	0.00	0.00	0.00	0.00	7,054.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
W003885	94769A119	WTS WEBLINK WIRELESS EXP PENDING 2012	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	201,455.00	0.00	0.00	0.00	0.00	134,303.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
5322253	55376WAD1	MTS INC SR SUB NOTE 9.375% 03/19/2009 55376WAD1	0.0000	4.5000	4.5000	0.0100	1.0000	0.0000	4,036,450.00	181,640.25	181,640.26	0.01	2,610,135.00	117,456.08	117,456.08	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00				
5595774	CH0001188025	SASEA HOLDINGS 3.25% 10/1/2042	0.0000	1.1800	1.1800	0.0100	1.0000	0.0000	0.00	0.00	0.00	0.00	0.00	17,100.00	201,78	208,79	7,01	7,01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5C58202	393505YCO	GREENTREE FINANCIAL CORPORATION MTGPC/SERIES 7.75% 03/15/2028 393505YCO	0.0000	0.0056	0.0056	0.0100	1.0000	0.0000	795,000.00	44.63	79.50	34.87	680,000.00	38.18	68.00	29.82	64.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
5273066	195204AA0	COLO.COM SR NOTE 144A - IN DEFAULT 13.875% 03/15/2010 195204AA0	0.0000	0.0082	0.0082	0.0100	1.0000	0.0000	0.00	0.00	0.00	0.00	0.00	0.00	4,293,000.00	354.07	429.30	75.23	75.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5C48250	393505UY6	GREEN TREE FINL CORP SER 1997-4 MFD HSG SR/SUB 7.73% 02/15/2029 393505UY6	0.0000	0.0056	0.0056	0.0100	1.0000	0.0000	4,644,999.00	261.43	464.50	203.07	3,956,000.00	222.66	395.60	172.94	376.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
5285646	CH0001129714	MAXWELL COMMUNICATIONS VAR RATE LIQUID 5% 12/31/2050	0.0000	1.0500	1.0500	0.0100	1.0000	0.0000	0.00	0.00	0.00	0.00	0.00	0.00	1,897,324.00	19,921.90	20,614.54	692.64	692.64	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5127481	XS0045549812	MAXWELL COMMUN 8.375% 09/01/2030	0.0000	0.4500	0.4500	0.0100	1.0000	0.0000	0.00	0.00	0.00	0.00	0.00	0.00	7,943,000.00	35,743.50	37,285.67	1,542.17	1,542.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5054115	DE0004115027	MAXWELL COMMUNICATIONS EURO DEBS 0% 06/15/2049 G59024AF9	0.0000	0.3100	0.3100	0.0100	1.0000	0.0000	0.00	0.00	0.00	0.00	0.00	0.00	16,459,000.00	51,022.90	52,852.07	1,829.17	1,829.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5463379	CH0001207908	SAIRGROUP *IN DEFAULT* 5.125% 03/01/2003 H83970AX33	10.1559	10.2564	10.2564	0.0100	1.0000	0.0000	0.00	0.00	0.00	0.00	0.00	0.00	115,000.00	11,794.87	14,336.46	2,541.59	2,541.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5445610	U29302AJ2	ENRON CORP EURO DEB 0.97% 12/31/2049 U29302AJ2	0.0000	0.0140	0.0140	0.0100	1.0000	0.0000	213,000,000.00	29,820.00	32,134.41	2,314.41	87,000,000.00	12,180.00	13,125.32	945.32	3,259.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
5573732	717113AA2	PHAR-MOR INC SR NOTE-DEFAULTED 11.72% 09/11/2002 717113AA2	0.0000	0.7446	0.7446	0.0100	1.0000	0.0000	0.00	0.00	0.00	0.00	0.00	0.00	1,884,000.00	14,028.53	18,840.00	4,811.47	4,811.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5442794	29357YAD5	ENRON CREDIT LINKED NOTES TR STERLING CREDIT LINKED NOTE 7.25% 05/24/2006 29357YAD5	0.0000	1.0000	1.0000	0.0100	1.0000	0.0000	1,000,000.00	10,000.00	19,998.54	9,998.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
5446359	U29302AG8	ENRON CORP DEFAULT 0.678% 12/31/2049 U29302AG8	0.0000	0.0140	0.0140	0.0100	1.0000	0.0000	460,000,000.00	64,400.00	69,398.26	4,998.26	540,000,000.00	75,600.00	81,467.53	5,867.53	10,865.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
5478585	CH0007054882	POLLY PECK 6.525% 09/20/2049	0.0000	0.5000	0.5000	0.0100	1.0000	0.0000	15,535,000.00	77,675.00	84,680.52	7,005.52	27,855,000.00	139,275.00	144,131.86	4,856.86	11,862.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
5131939	CH0007056653	POLLY PECK INTL FINANCE CHF 6.25% 03/29/2049	0.1766	0.5000	0.5000	0.0100	1.0000	0.0000	18,090,000.00	90,450.00	98,607.70	8,157.70	18,950,000.00	94,750.00	99,989.10	5,239.10	13,396.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
5271493	CH000939394	SWISSAIR DEFECTED 5.50% 07/23/2004	0.0000	10.2600	10.2600	0.0100	1.0000	0.0000	0.00	0.00	0.00	0.00	0.00	0.00	750,000.00	76,950.00	93,498.66	16,548.66	16,548.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5449494	H83970AJ4	SAIRGROUP 2.775% 09/10/2049 H83970AJ4	10.1																								